



CAYMAN ISLANDS LEGISLATIVE ASSEMBLY

OFFICIAL HANSARD REPORT ELECTRONIC VERSION

2006/7 SESSION

28 April 2006 — 23 March 2007

Hon. Edna M. Moyle, JP
Speaker

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Hon. Edna M. Moyle, JP, Speaker

Elected Member for North Side

Hon. George A. McCarthy, OBE, JP, CPA

First Official Member Responsible for Internal and External Affairs

Hon. Samuel W. Bulgin, QC, JP

Second Official Member Responsible for Legal Affairs

Hon. G. Kenneth Jefferson, JP

Third Official Member Responsible for Finance and Economics

Hon. D. Kurt Tibbetts, JP

Honourable Leader of Government Business,

Minister of District Administration, Planning, Agriculture and Housing

Hon. Anthony S. Eden, OBE, JP

Minister of Health and Human Services

Hon. Alden M. McLaughlin, Jr., JP

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

Hon. V. Arden McLean, JP

Minister of Communications, Works and Infrastructure

Hon. Charles E. Clifford, JP

Minister of Tourism, Environment, Investment and Commerce

ELECTED MEMBERS

GOVERNMENT BACKBENCHERS

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

Honourable 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

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Clerk of the Legislative Assembly

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OFFICIAL HANSARD REPORT

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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; **GHHS**, George Hicks High School; **GM**, Government Motion; **GT**, George Town; **JGHS**, John Gray High School; **PPM**, People's Progressive Movement; **PMM**, Private Member's Motion; **PWD**, Public Works Department; (R), Report; **SO**, Standing Order; **TVET**, Teaching and Vocational Education and Training; **UDP**, United Democratic Party

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OFFICIAL HANSARD REPORT
STATE OPENING AND BUDGET ADDRESS
FRIDAY
28 APRIL 2006
9.40 AM
First Sitting

The Speaker: I will call on Dr. Jeffery Thompson to offer Prayers.

PRAYERS

Dr. Jeffery Thompson: Let us reverently bow our heads as we lift our hearts to God in prayerful meditation.

Oh, divine, majestic loving Heavenly Father, Thou who art the fountain of all life; for whom no dawn arises or evening sets, humbly we draw near to you. We thank you, loving Heavenly Father, for the institution of democracy in the Cayman Islands. We thank you for religious liberty in the Cayman Islands. We thank Thee for this First Meeting of the 2006/2007 session of the Cayman Islands Legislative Assembly. Even now we invoke Thy divine presence in this Meeting. We beseech Thee so as 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 Majestic 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 the Cayman Islands, the Speaker of the Legislative Assembly, the Leader of Government Business, the Leader of the Opposition, Official Members and Ministers of Cabinet and Members of the Legislative Assembly. We pray that Your Holy Spirit will enable them to work in a collaborative manner so that Your Name can be glorified. Bless our deliberations.

Now let us say The Lord's Prayer together: *Our Father, which 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, and the power and the glory, for 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, always and forever more. Amen.

Proceedings resumed at 9.43 am

The Speaker: Please be seated.

PROCLAMATION NO. 2/06

The Clerk: Proclamation No. 2 of 2006 by His Excellency Stuart Duncan MacDonald Jack, Commander of the Victorian Order, 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, Stuart Duncan MacDonald Jack, CVO, Governor of the Cayman Islands, by virtue of the powers 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, in the Island of Grand Cayman beginning at 10:00 a.m. on Friday, the twenty-eighth day of April, 2006.

GIVEN UNDER MY HAND AND THE PUBLIC SEAL OF THE CAYMAN ISLANDS AT GEORGETOWN IN THE ISLAND OF GRAND CAYMAN ON THIS TWENTY-FIRST DAY OF APRIL IN THE YEAR OF OUR LORD TWO THOUSAND AND SIX IN THE FIFTY-FIFTH YEAR OF THE REIGN OF HER MAJESTY QUEEN ELIZABETH II.

Motion to Suspend Proceedings

The Speaker: I call on the Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Madam Speaker, Be it resolved 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: Be it resolved that this Honourable 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. The House is therefore suspended to await the arrival of His Excellency the Governor.

Agreed: That the House do rise to await the arrival of His Excellency the Governor to receive a gracious message from the Throne.

Proceedings suspended at 9.45 am

ARRIVAL OF HIS EXCELLENCY THE GOVERNOR

[The Governor's Aide-de-Camp gave three knocks on the door at 9.45 am]

The Serjeant-at-Arms: His Excellency the Governor.

Procession:

*Serjeant-at-Arms
Honourable Speaker
His Excellency the Governor
Mrs. Jack
Aide-de-Camp
Clerk of the Legislative Assembly
Deputy Clerk of the Legislative Assembly*

INVITATION BY THE SPEAKER

The Speaker: Please be seated. I will now call upon His Excellency the Governor to deliver the Throne Speech.

Your Excellency.

THE THRONE SPEECH Delivered by His Excellency the Governor Mr. Stuart D. M. Jack, CVO

His Excellency the Governor: Madam Speaker, Members of the Legislative Assembly, it is an honour for me to present to you my first Throne Speech. Today marks a new phase in the way these Islands are governed, as the Throne and Budget Speeches are held on the same day at the end of April in anticipation of the fiscal year from July to June.

Today's ceremony also marks a new phase for me, as well, having arrived in late November last year. At that time I said I wanted to listen, learn and understand. Five months is not so long and I have a lot more to learn, but it is long enough for me to begin to understand some of the complexities and concerns of Government and the people.

In my Christmas message I shared that, as your Governor, I consider myself not just as the Queen's Representative – but I see my role equally as representative of the people of the Cayman Islands to Her Majesty's Government. And I reaffirm that today.

At this time we celebrate, together with the people of the United Kingdom, the 80th birthday and the 54th year of the reign of Her Majesty the Queen.

Cayman's relationship with the United Kingdom has been evolving in recent times into a much stronger working partnership. I am encouraged that there is much continuing goodwill and effort on both sides to consolidate that positive state of affairs.

I am encouraged in this view by the recent resumption of contacts with the United Kingdom on modernising the Constitution. It is vital that in that process the people of the Cayman Islands are properly consulted. I commend the stated intention of the Government and the Opposition to do so, and I welcome the work that the Cabinet Office is already undertaking to research possible referenda mechanisms.

Similarly, I commend the Government for introducing measures directed at strengthening public participation in our democratic process and in seeking to foster greater openness and transparency. This is evidenced by the plan to introduce a Freedom of Information Act, and the emphasis that has been placed on public involvement in formulating legislation acceptable to a wide cross-section of our community.

Human rights, too, are moving more properly into the mainstream of government and society. I am sensitive to fears among some that this may create a shift away from social standards that mean so much to us and that make Cayman the society that we all cherish. I believe, however, that society here is developing into one which can accept differences and engage in discourse with those who may not share our particular insights.

Together, better information and transparency, greater public involvement, respect for human rights and for Cayman's heritage and environment will provide a strong basis on which we can tackle the many challenges facing these islands.

That applies to the Government's key policies and strategies and to those priorities of mine to which I referred in my address on being sworn in as Governor, and which remain my priorities: law and order, best possible planning for disasters, and the continuing efforts towards a more efficient and effective public service, as well as constitutional modernisation.

None of these issues is easy; in many cases adequate results will come only after sustained efforts over time. I am conscious, for example, that the major changes facing the Civil Service can be a cause of uncertainty, even stress, and I wish to say a heartfelt thank you to our civil servants for their efforts. We must persist with the changes underway and seek early results where we can.

Two aspects of these priorities to which I will be turning more of my attention are better customer service by public servants and ways of addressing the causes of crime, particularly among our youth.

This is a most exciting time for the territory -- and for me as Governor -- as I share in facing these challenges. After five months I am even more optimistic

that we can do so successfully through the joint efforts of the Government, the Legislature, the Judiciary, the Civil Service, the private and voluntary sectors, and the people.

I pledge my continuing commitment to work with you all to the best of my ability for the benefit of all our Islands and people.

I should like to take this opportunity, as well, to pay tribute to Mr. Colin Ross, MBE whose planned retirement from the civil service was announced last week. Mr. Ross has risen admirably to the challenges of managing change. We wish Mr. Ross a long, healthy and happy retirement.

I turn now to report on the activities and plans of various Ministries, Portfolios and Departments, starting with the Judicial Branch of Government.

THE JUDICIARY

The Judicial Branch anticipates that two key initiatives will be realised -- the acquisition of a Summary Court building and the establishment of the first phase of a fully functional legal and judicial website.

The website, a joint project with the Attorney General's Portfolio, will allow hyper-linked access to laws and law reports and searching of the registry of actions. It will also enable electronic filing of pleadings and other documents, encrypted access to case files and, ultimately, payment of court fees, fines and other remittances.

THE CABINET OFFICE

The Cabinet Office will continue to expand its role in facilitating better policy coordination, communication, and IT functions across Government.

The freedom of information legislation will be in place this year, with regulations to follow early next year.

The Policy Coordination Unit will be seeking to advance work with development partners in the region and internationally. This will include the application for financial aid from the European Union for rehabilitation and reconstruction of homes damaged by Hurricane Ivan.

GIS will be reintroducing its weekly television [program] on Government activities and will be launching an electronic newsletter on Cabinet activities.

Computer Services is working diligently to maintain a more resilient data centre and network, including the Category Five hurricane-resistant facilities on Grand Cayman and in [Cayman Brac and Little Cayman].

PORTFOLIO OF INTERNAL AND EXTERNAL AFFAIRS & THE PORTFOLIO OF THE CIVIL SERVICE

The Portfolio of Internal & External Affairs is committed to maintaining public safety and security

through strong law enforcement, risk management, immigration and border control.

The Portfolio of the Civil Service will continue to prepare itself for its new functions and responsibilities, in accordance with the Public Service Management Law, which will come into effect on 1st January 2007. This will include providing administrative support, training, advice, and technical assistance, as well as promoting public service values.

THE POLICE DEPARTMENT

The new five-year strategic plan for the Royal Cayman Islands Police Service (RCIPS) will reinforce the safety and protection of the people of the Cayman Islands and of the tourism and financial industries.

Intelligence-led policing will continue to drive the RCIPS' efforts in the fight against crime. Both overt and covert operations will be used to target criminals and to drive home a zero-tolerance message.

The RCIPS will also focus on neighbourhood policing and the use of technology—including closed-circuit television—and forensic science will continue to play an important role.

Work will continue to improve the capabilities of the reconstituted Marine Policing Unit. The visibility of police officers is being increased through patrols and road blocks.

Rigorous enforcement alongside engineering and education will form the cornerstones of the RCIPS' focus on driving down road injuries and deaths. The RCIPS will apply technology, also, to effect remote traffic enforcement.

Partnerships are being forged to ensure that the local and business communities can assist the RCIPS, in a coordinated strategy with government and elected members.

CIVIL AVIATION AUTHORITY OF THE CAYMAN ISLANDS

The Civil Aviation Authority of the Cayman Islands (CAACI) will be further developing processes for regulating the aviation sector.

In conjunction with the Cayman Islands Airports Authority (CIAA), the Civil Aviation Authority will license and certify the Owen Roberts and Gerrard Smith International airports. This will include developing action plans to ensure compliance with international standards and requirements.

THE FIRE SERVICE DEPARTMENT

The Fire Service will be separated into the Airport Emergency Fire Services Department and the Cayman Islands Domestic Fire Services Department. Training, particularly with respect to airport rescue and firefighting, will remain a major focus. A new fire-rescue boat will be commissioned.

Crown property has been identified for a domestic

fire station on the Bluff in Cayman Brac, and a combined facility to house a police station and headquarters for the domestic fire services will be built in the Bodden Town/Savannah area.

911 EMERGENCY COMMUNICATIONS

Several staff members of the 911 Emergency Communications Unit will attend an international communications conference in Florida, strengthening disaster mitigation and management.

Staff will also be exposed to various technology and systems that can aid in processing emergency calls.

THE CAYMAN ISLANDS NATIONAL ARCHIVE

The draft Public Records Law, tabling of which is anticipated in 2006/7, proposes a legal framework for records management and essential support to the proposed Freedom of Information Act.

A series of training sessions are scheduled to assist entities in understanding record-keeping requirements. The new Archive facility will be ready to accept records prior to the 2007 hurricane season, thus preventing a records disaster similar to that which occurred during Hurricane Ivan.

IMMIGRATION DEPARTMENT

The Immigration Department will be introducing the latest technology to detect false documents and to read biometric data contained in the latest generation of passports.

The department will aim to provide faster, more efficient processing of applications. Interaction with the public and employers will be improved through an enhanced website, informational materials and the creation of a call centre.

The department plans to publish a two-year business plan stipulating goals and standards of customer service.

CAYMAN ISLANDS PRISON SERVICE

The Cayman Islands Prison Service anticipates major strides in prisoner rehabilitation in 2006/07, while not compromising security.

Key elements of this effort will be the appointment of a Commissioner of Corrections and Rehabilitation, the introduction of a proper system of sentence planning, and support for sentences that are safe alternatives to prison.

HURRICANE PREPAREDNESS

The National Hurricane Committee will produce a National Hurricane Plan 2006 to replace the 2004 edition. This will feature a new and common format and

address a number of shortcomings following Hurricane Ivan. A real-time inundation and damage projection model is being developed to better predict the impact of tropical systems and new sub-committees are being added to address areas needing attention.

EMERGENCY MANAGEMENT

The government is committed to establishing an agency to spearhead disaster mitigation and management. The agency's role will be to assist and complement the strong cadre of first responders. A director is being recruited and should be in post by early July. Legislation will be put to parliament in the fourth quarter.

CAYMAN ISLANDS CADET CORPS

The Cadet Corps, now numbering 90 members, is laying the foundation for enrollees' ultimate award of the Technical Education Council (BTEC) First Diploma in Public Services. Administered in the UK, this certification is equivalent to four GCSE O-Level subjects.

THE PORTFOLIO OF LEGAL AFFAIRS

The Portfolio of Legal Affairs' continuing role in improving the Criminal Justice system will include the eventual commissioning of DNA and full service forensic laboratories and the enactment of legislation to give the Courts alternative sentencing options. This will include provisions for the establishment of the Drug Court, placing emphasis on rehabilitation.

In the area of legal education, the Portfolio will be recruiting lecturers to offer courses in human rights laws and will partner with the Judicial Department to establish a legal aid clinic to assist persons with small claims.

THE PORTFOLIO OF FINANCE AND ECONOMICS

During 2006/07, the Portfolio of Finance and Economics will continue to provide the Government with sound financial and economic advice, accounting and registry services and will support the financial services sector. These objectives will be realised through the following key goals:

- an internationally recognised Custom's tariff classification system;
- value-for-money internal audits and strengthening of risk-management strategies;
- sound econometric models for the collection, forecasting and reporting of revenue;
- launching websites and online services at the General Registry, the Customs Department, and the Maritime Authority;
- participation in a voluntary audit scheme of the

International Maritime Organization to ensure adherence to accepted maritime standards and conventions;

- the Cayman Islands Monetary Authority's new initiative enabling electronic filing of returns; and
- upgrading the Government's financial accounting system to facilitate accrual and output accounting.

MINISTRY OF DISTRICT ADMINISTRATION, PLANNING, AGRICULTURE AND HOUSING

The key goals for the Ministry of District Administration, Planning, Agriculture and Housing in 2006/7 are to strengthen the economy of [Cayman Brac and Little Cayman] and improve service delivery, manpower and infrastructure in all key agencies throughout the three Islands. This will include facilitating the provision of affordable housing, supporting the agricultural sector and assisting the Planning Department in facilitating the quicker movement of planning applications through the process.

The Ministry will promote efficient public administration by advancing plans for a new purpose-built government office accommodation. It will also expedite works for a new Bodden Town hurricane shelter as well as an Emergency Services Centre for the district of Bodden Town.

The Ministry will strengthen the public health system through MRCU's and Agriculture's focus on disease prevention.

DISTRICT ADMINISTRATION

Little Cayman continues to have the highest tourism occupancy rates in the Cayman Islands, and Cayman Brac is strengthening its natural attractions.

A new pre-school facility will commence operations and an emergency special-needs facility for the elderly will be added to the Aston Ruddy Centre.

The Sister Islands Affordable Housing Development Corporation is moving full speed ahead to have house plans developed, sites prepared and needs assessments undertaken to provide as many houses as possible during the 2006/7 fiscal year.

PLANNING DEPARTMENT

As the construction industry continues its current boom, the Central Planning Authority (CPA) has proposed amendments to the Development Plan 1997. The 1975 Guidelines for Development Control in Cayman Brac and Little Cayman will be reviewed to ensure that policies and guidelines aimed at achieving an array of economic, social and security goals are accurate and up-to-date.

The Planning Department continues to strengthen its enforcement processes to reduce occurrence of, and compliance time for, illegal development.

The department will be tabling legislation to regulate the construction industry and drafting legislation

to register architects and draftsmen. The Electricity Law and its regulations are to be reviewed.

DEPARTMENT OF AGRICULTURE

The Department of Agriculture, in conjunction with government partners, will continue to implement surveillance and preparedness programs to stem the threat of Avian Influenza (H5N1).

The department, in conjunction with the Agricultural Society, will advance plans for an Agri-tourism centre and Farmers Market at the Stacey Watler Agricultural Pavilion in Lower Valley.

MOSQUITO RESEARCH & CONTROL UNIT

The Mosquito Research and Control Unit (MRCU) will move into new laboratories and offices, greatly improving the department's research capabilities. Construction will begin on a new aircraft hangar on Grand Cayman and, on Cayman Brac, new staff accommodations and pesticide storage facilities.

A progressive approach towards the control of mosquitoes – the large-scale application of pellets to *prevent* mosquito emergence – will become the predominant control method.

The department will maintain an aggressive campaign against the mosquito responsible for transmitting Dengue Fever to minimise its threat.

LANDS AND SURVEY

Lands and Survey anticipates a number of initiatives, including:

- completion of a hydrographic survey to assist with the provision of a computerised storm model for the National Hurricane Committee;
- assistance with the development and introduction of a new computerised storm and hazard prediction model together with the design of a user friendly Geographic Information System (GIS) interface; and
- completion of an expanded and 3-D GIS data visualisation project providing a more user friendly system and data.

CHIEF PETROLEUM INSPECTORATE

The Chief Petroleum Inspectorate will continue to ensure compliance with the highest environmental protection and workplace standards. Both oil companies are finalising upgrades of their underground piping systems.

HOUSING

The National Housing and Community Development Trust continues to ensure fiscal responsibility and viability. In light of a growing waiting list of households in need, the Trust will seek to address the im-

mediate housing needs of Caymanians, while also taking steps to engage the construction and finance industry in moving forward with a longer-term plan to make affordable homeownership a reality for many more Caymanians.

MINISTRY OF HEALTH AND HUMAN SERVICES

The Ministry of Health and Human Services will take a holistic approach to addressing human needs. This will include efforts to integrate agencies providing health and human services, promote the development of supportive community action groups, support the rehabilitation of criminal offenders, and initiate more intensive cross-ministerial collaboration.

PUBLIC HEALTH DEPARTMENT

The Public Health Department will place even greater emphasis on health promotion and protection, particularly in light of concern regarding a potential influenza pandemic.

An inter-departmental surveillance program is in place for early detection and, if necessary, case management of avian flu in birds and humans. In addition to early detection, the program involves working with the Pan American Health Organization and the World Health Organization to guarantee appropriate assistance for securing vaccine and antiviral drugs in the event of avian flu reaching Cayman. This collaboration will also ensure guidelines to help protect workers with site cleaning, transportation and disposal of dead birds.

Comprehensive legislation will be finalised regarding the sale of tobacco products and the prohibition of their use in public and work places.

A study to be completed by June 2006 will guide the process of updating Public Health legislation.

THE HEALTH SERVICES AUTHORITY

Quality patient care, improved customer service and a well motivated staff will be high priorities for the Health Services Authority.

The Health Services Authority (HSA) will implement a plan to increase accessibility of patient-focused services in the districts.

It will also establish a foundation through which the public may donate to specific medical projects, supplementing available funds.

CAYMAN ISLANDS NATIONAL INSURANCE COMPANY LTD.

A high priority for the Cayman Islands National Insurance Company (CINICO) will be the management of the high cost of overseas treatment.

HEALTH INSURANCE COMMISSION

The Health Insurance Commission plans for increased enforcement of employers' legislated responsibility to provide health insurance for employees. The commission will also review the Standard Health Insurance Fees (SHIF) implemented in 2005.

HEALTH PRACTICE COMMISSION

The Health Practice Commission will be seeking to establish the number of continuing medical-education hours required of practitioners.

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

The Department of Children and Family Services (DCFS) will continue to promote and foster healthy family life as a means to strengthening positive social development and overall well-being of Cayman society.

CHILDREN AND YOUTH SERVICES FOUNDATION

The Children and Youth Services Foundation (CAYS) will continue with its strategic re-direction, further evaluating its current structure and programs to better serve young people in its care.

DEPARTMENT OF COUNSELLING SERVICES

The Department of Counselling Services will broaden its mandate in 2006/7, extending its service to youth and adults experiencing a range of family, relationship and personal difficulties.

Also, the Caribbean Haven Residential Centre will offer a gender-sensitive treatment program for women, integrating posttraumatic stress disorder with substance abuse treatment.

PROBATION AND AFTERCARE UNIT

To ensure high quality supervision, intervention, and rehabilitation for offenders, the Probation After-care Unit has hired additional staff and has stationed a Probation Officer in Cayman Brac.

NATIONAL DRUG COUNCIL

Under the guidance of a new board, the National Drug Council will be formalising a master plan to reduce the overall misuse of drugs in the Cayman Islands.

MINISTRY OF EDUCATION, TRAINING, EMPLOYMENT, YOUTH, SPORTS AND CULTURE

Following the National Education Conference's comprehensive review and the unanimous approval of the Legislature, the Ministry of Education is actively engaged in implementation of all strategies identified

at the conference.

An overarching goal for the coming school year in all schools will be strengthening literacy. Qualified and competent personnel will have access to vital resources, including libraries, to improve students' literacy levels. Principals will ensure that literacy is addressed as an essential part of the curriculum across all subject areas.

The services of Professor Steven Heppel, an international expert on design and development of "future schools", are being contracted to assist with the new schools and the creation of learning communities. He will provide mentorship for the new approach being taken at the George Hicks High School, which will open in September 2006 as four separate learning units of 230-240 students.

Preparatory work has commenced on the new secondary schools. Construction is expected to start early next year, with the opening of the three in early 2008.

THE DEPARTMENT OF YOUTH AND SPORTS

With a view to benefitting the health of the nation and realising the potential of our young athletes, the priorities of the Department of Youth and Sports will include:

- development of sports-based after-school programs;
- further development of inter-school competition;
- recruiting a sports consultant; and
- creation of a National Sports Policy and National Sports Council.

CULTURE

With a focus on traditional Caymanian culture, the Government will continue to support the work of the Cayman National Cultural Foundation and the National Gallery of the Cayman Islands. Support for the National Museum will aim to portray fully the impacts of the diverse influences on the evolution of the Cayman Islands.

THE DEPARTMENT OF EMPLOYMENT RELATIONS

The Department of Employment Relations will undergo a technical review and its services upgraded in order to provide increased levels of proactive services to clients. A major focus for the department will be occupational health and safety across all industries.

HUMAN RIGHTS COMMITTEE

The focus of the Human Rights Committee will include better public awareness, investigation of individual cases, and advice to government entities.

THE NATIONAL PENSIONS OFFICE

The National Pensions Office will consult with the private sector with a view to amending existing legislation to provide for registration of offshore pensions.

MINISTRY OF COMMUNICATIONS, WORKS AND INFRASTRUCTURE

The Ministry of Communications, Works and Infrastructure will continue hurricane mitigation activities, which will include placement of sea defence systems in coastal roads and beachside cemeteries.

The Ministry will also be developing engineering-design solutions to flooding in the Savannah Gully area.

NATIONAL ROADS AUTHORITY

Traffic congestion will be another key focus, with major works of the National Roads Authority (NRA) to include:

- a long-range transportation plan for Grand Cayman;
- completion of Phase Three of the Esterley Tibbetts Highway;
- the westward extension of the merge lane at the Savannah-Newlands junction, reducing peak-hour travel delays; and
- commencement of construction of the east-west arterial corridor from Newlands to the Prospect area.

DEPARTMENT OF ENVIRONMENTAL HEALTH

The Department of Environmental Health (DEH) plans include:

- a new plan for solid waste collection treatment and disposal facility/system for Grand Cayman;
- an environmental impact assessment in Cayman Brac in advance of the resumption of the development of the bluff landfill site; and
- an assessment of the solid waste management strategies for Little Cayman.

Also anticipated is a review of the existing Public Health Law with the objective of introducing legislation to enable the DEH to function more efficiently.

THE ELECTRICITY REGULATORY AUTHORITY

The Electricity Regulatory Authority (ERA), which commenced operations in May 2005, will support the conclusion of negotiations with CUC.

Goals are to replace existing licensing arrangements, encourage competition, and improve fuel effi-

ciency and encourage alternate sources of energy.

INFORMATION COMMUNICATIONS AND TECHNOLOGY AUTHORITY

The Information & Communications Technology Authority (ICTA) anticipates additional services and service providers, particularly in new areas such as residential and business fixed-line voice and data services, use of Internet for phone calls, and television and video-on-demand.

THE WATER AUTHORITY

The Water Authority will continue the pipeline extension into North Side and the development of that district's water storage and pumping facility. It will install new two-million US-gallon storage tanks, at the Red Gate and North Side water works sites.

GRAND CAYMAN WASTEWATER INFRASTRUCTURE

There will be significant capital investment to rehabilitate sewers, replace 17-year-old pumps and install effluent-transmission pipes and sewer mains.

POSTAL SERVICES

Savannah, as one of the fastest growing communities in Grand Cayman, will receive a new post office in 2006/7.

PUBLIC WORKS DEPARTMENT

The focus of the re-structured Public Works Department will be to provide its customers with measurable improvements in the quality, timeliness and cost of services.

DEPARTMENT OF VEHICLES AND EQUIPMENT SERVICES

The Department of Vehicles and Equipment Services' efficiency measures will seek to enable government clients to maximise return on transport investments.

DEPARTMENT OF VEHICLE LICENSING

The Department of Vehicle Licensing will continue to improve services by:

- the separation of the Public Transport Unit from the Department of Vehicle Licensing by July 2006;
- implementation of legislation for graduated drivers licensing and parking provisions for disabled persons.

- development of new on-line customer service systems, customer help desk and complaint/suggestion handling procedures; and
- development of proposals for amalgamation of the two George Town offices into one facility, and an eastern district service.

PARK, CEMETERY, JETTY, RAMP AND PUBLIC BEACH UNIT

The Ministry of Communications, Works and Infrastructure will create a separate unit for administration of parks, cemeteries, jetties, ramps, and public beaches.

MINISTRY OF TOURISM, ENVIRONMENT, INVESTMENT AND COMMERCE

The Ministry of Tourism, Environment, Investment and Commerce will pursue the enactment of legislation, with particular reference to environmental conservation, tourism management, music and dancing, and public transportation.

Work will continue on transitioning the Department of Tourism into a statutory authority, expected to be launched 1 July 2007. Efforts to re-engineer the public transport sector will continue with the establishment of a dedicated Public Transportation Unit.

DEPARTMENT OF TOURISM

The Department of Tourism (DoT) is working with all interests to return stay-over visitor arrivals to pre-Ivan levels.

The travel agent familiarisation program will continue to be expanded, and direct marketing and multimedia advertising increased, including support for Cayman Airways.

The *Go East* project, to encourage tourism development in the Bodden Town, East End and North Side districts, will seek to spread tourism's economic benefit, provide education and training, and do much to preserve the environment.

Complementing this initiative is the further development of the soft adventure and nature tourism markets, particularly with respect to [Cayman Brac and Little Cayman].

Apprenticeship programs to raise standards of customer service will be initiated.

TOURISM ATTRACTIONS BOARD

The Tourism Attractions Board will play a key role in the tourism sector's *Go East* initiative. The Pedro St James historic site will be fully re-opened and the Rankin House in the Heritage Gardens at the Queen Elizabeth II Botanic Gardens restored.

The board will organise a workshop to train artists and vendors on production and marketing strategies, strengthening sustainability of supply of products to

the Cayman Craft Market.

BOATSWAIN'S BEACH

Phase two of Cayman's newest and largest tourist attraction—Boatswain's Beach—will open this summer. Phase three is scheduled for opening in 2007.

DEPARTMENT OF ENVIRONMENT

As part of the UK-funded Darwin Initiative project, the Department of Environment (DoE) will in 2006/7 begin the compilation of action plans for threatened plants and animals.

The department's in-house Sustainable Development Programme will formulate mechanisms and policies to ensure that the Islands are positioned to adapt to or mitigate forecast effects of global climate change.

On introduction of regulations, the department will implement the North Sound Special Management Areas in the vicinity of the Sandbar and Stingray City. Additionally, the DoE will work towards full implementation of the Endangered Species (Trade and Transport) Law and the enactment of the draft National Conservation Legislation.

CAYMAN ISLANDS INVESTMENT BUREAU

The Cayman Islands Investment Bureau will continue to expand assistance to small businesses and entrepreneurs, via workshops, seminars, individual counselling and the facilitation of access to potential funding opportunities.

CAYMAN ISLANDS DEVELOPMENT BANK

The Cayman Islands Development Bank (CIDB) will pursue new sources of funding with a view to minimising on-lending costs for its customers.

CIDB is also expanding to serve as a financial intermediary or provider of loan funds to government entities.

In partnership with the Cayman Islands Investment Bureau, the bank will sponsor workshops and seminars to augment basic business management knowledge and skills among clients. [Cayman Brac's and Little Cayman's] clients will benefit from regular visits and promotions.

The second phase of the physical restructuring of the bank's offices is scheduled to be undertaken in 2006/07.

CAYMAN ISLANDS AIRPORT AUTHORITY

The Cayman Islands Airport Authority (CIAA) will be embarking on expansion and upgrading of the Owen Roberts International Airport terminal as part of a major, multi-year re-development program.

Site preparation for construction of the planned airport on Little Cayman will continue and the capabilities of the air traffic control unit at the Owen Roberts Airport will be enhanced with the installation of radar.

CAYMAN AIRWAYS

With the forecast 20 per cent increase in revenue for the current fiscal year, the overriding objective for Cayman Airways in 2006/7 will be to implement recommendations of its efficiency audit with a view to reducing further gaps between revenue and expenditure.

The cargo operation is expected to generate continued growth in excess of 30 per cent. The inter-island service is forecast to achieve a moderate increase in both flights and passengers. The airline plans to reduce the number of jets in the fleet from five to four with the retirement of one aircraft in March 2007.

The company will be evaluating available options with a view to upgrading its computerised reservation system.

PORT AUTHORITY OF THE CAYMAN ISLANDS

The Port Authority will continue investments in fixed assets and human capital to ensure that cargo processing demands similar to those experienced post-Ivan are handled safely and efficiently.

The Royal Watler Cruise Terminal will facilitate greater efficiency in passenger movements off and on cruise ships and otherwise enhance visitor experience. The existing cruise terminals in George Town and the Spotts Landing are slated for major improvements. The Port Authority will be working towards developing docking facilities for berthing of up to four cruise ships simultaneously.

Madam Speaker, Members of the Legislative Assembly, as I come to the close of my first Throne Speech, I wish to thank the many people throughout the Civil Service who played a part in preparing it. I also extend my appreciation to those who will work behind the scenes to implement the plans described today, including private citizens who participate in the work of the statutory boards and consultative groups.

To Members of this Honourable House, as you embark on a new Session of the Legislative Assembly, I pray that God will continue, during the coming months and in the longer future, to watch and preserve these Islands.

[The Aide-de-Camp handed the Throne Speech to the Clerk to be laid upon the Table]

The Speaker: Proceedings will be suspended for 15 minutes.

Proceedings suspended at 10.36 am**Proceedings resumed at 11.01 am**

The Speaker: Please be seated. Proceedings are resumed.

Motion of Thanks to His Excellency the Governor

The Speaker: I call upon the Honourable Leader of the Opposition, the Honourable W. McKeeva Bush, and Father of the House.

Hon. W. McKeeva Bush: Madam 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.

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

Ayes.

The Speaker: The Ayes have it.

Agreed: That this Honourable Legislative Assembly record its grateful thanks to His Excellency the Governor for the Address delivered at this meeting.

Motion to Defer Debate on the Throne Speech

The Speaker: I call upon the Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Madam Speaker, be it resolved that the debate on the Address delivered by His Excellency the Governor be deferred until Wednesday, 3 May 2006.

The Speaker: The question is: Be it resolved that the debate on the Address delivered by His Excellency the Governor be deferred until Wednesday 3 May 2006. All those in favour please say Aye. Those against, No.

Ayes

The Speaker: The Ayes have it.

Agreed: That the debate on the Address delivered by His Excellency the Governor be deferred until Wednesday 3 May 2006.

PRESENTATION OF PAPERS AND OF REPORTS

Annual Plan and Estimates for the Government of the Cayman Islands for the Financial Year ending 30 June 2007 together with the Annual Budget Statements for Ministries and Portfolios for the Financial Year ending 30 June 2007, Purchase Agreements for Statutory Authorities, Government Companies and Non-Governmental Output Suppliers for the Year ending 30 June 2007, and Ownership Agreements for Statutory Authorities and Government Companies for the Year ending 30 June 2007

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

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

Madam Speaker, I beg to lay on the Table of this Honourable House the following documents in respect of the Government's financial year that will end on 30 June 2007: The Annual Plan and Estimates for the Government of the Cayman Islands; Annual Budget Statements for Ministries and Portfolios; Purchase Agreements for Statutory Authorities, Government Companies and Non-Governmental Output Suppliers; and Ownership Agreements for Statutory Authorities and Government Companies.

The Speaker: So ordered. Does the Honourable Member wish to speak thereto?

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

Madam Speaker, when you invite me to speak on the Second Reading of the Appropriation Bill, my Budget Address on the Bill will refer to the documents that have just been tabled. I therefore do not need to say anything further at this point.

Thank you, Madam Speaker.

GOVERNMENT BUSINESS

BILLS

FIRST READING

The Appropriation (July 2006 to June 2007) Bill, 2006

The Speaker: The Bill is deemed to have been read a first time and is set down for the Second Reading.

SECOND READING

The Appropriation (July 2006 to June 2007 Bill) 2006

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

BUDGET ADDRESS

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

Madam Speaker, I beg to move the second reading of a Bill entitled the Appropriation (July 2006 to June 2007) Bill, 2006.

The Speaker: The motion has been duly moved for the Second Reading of the Appropriation Bill (July 2006 to June 2007) Bill, 2006 and is open for debate. Does the Honourable Member wish to speak thereto?

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

Madam Speaker, on behalf of the Government of the Cayman Islands, I rise to present the Budget for the 2006/7 financial year that encompasses the 12-month period from 1st July 2006 to 30th June 2007.

The Government of the Cayman Islands is determined to succeed in its efforts to achieve the 11 broad outcome goals specified in the 2006/7 Strategic Policy Statement, or (SPS) for short, which was approved by the Legislative Assembly on 30 November 2005.

On a national level, when success is achieved, it is evident in many facets. Success is achieved by a government when, among other things, it:

- educates its population well;
- provides its citizens with a good health-care system and proper health-care facilities,
- creates the conditions under which its economy can flourish – thereby providing an opportunity for its citizens to enjoy a good standard of living;
- protects its citizens from crime; and
- preserves the environment.

Madam Speaker, these five outcomes are included in the SPS.

With limited resources at its disposal, in order to achieve success, Government must be responsible in the use of those resources. Fiscal responsibility by Government is therefore key to achieving success. I have therefore themed my Budget Address for Government's financial year that will end on 30th June 2007: "A Key to Success: Responsible Financial Management".

The Honourable Leader of Government Business, in his contribution will detail the key policy actions that the Government will pursue in the 2006/7 financial year to achieve the Government's 11 broad outcome goals set-out in its SPS.

The 2006/7 Budget is based on responsible financial management. It is a Budget that will allow the Government to achieve its goals. It is a Budget that builds a solid foundation for the future of the Cayman Islands.

The Economic Outlook

Madam Speaker, the Government recognises that success in the economy is the outcome of making sound decisions that are informed by reliable data. In order to assess its decision-making processes, private sector entities therefore expect Government to provide forecast, macroeconomic data as to the likely performance of the economy in the coming year.

The 2006/7 economic outlook for the Cayman Islands is bright and the economy is expected to experience strong growth in all sectors.

Current macroeconomic forecasts indicate that the Cayman Islands' economy will grow by 3.6 per cent during the 2006/7 financial year. Inflation is forecast to be 3 per cent and unemployment 3.8 per cent. The variance between these forecasts and those stated in the Strategic Policy Statement for 2006/7 is negligible. The forecasts that I have just outlined are applicable to a 1st July to the 30th June period. Since many entities have a financial year that ends on 31st December, they will be better able to relate to information presented on a calendar year basis. Therefore, for the year to 31st December 2006: the economy is expected to grow by 4.2 per cent; inflation is forecast to be 3 per cent and unemployment 3.9 per cent.

An Overview of Financial Statement Forecasts

Madam Speaker, let me now turn to the financial statement forecasts that are included in the Annual Plan and Estimates. I will focus on the Core Government figures.

The financial statements in the Annual Plan and Estimates start at page 298.

The key measure of Government's performance is the difference between its Operating Revenues and Operating Expenses. A surplus exists if Operating Revenues exceed Operating Expenses.

The financial statements indicate a forecast surplus of \$32.5 million for the 2006/7 year. This surplus is forecast even after budgeting \$2.0 million of Extraordinary Expenditure to provide Hurricane Ivan relief assistance.

The surplus is calculated by subtracting total Operating Expenses of \$395.0 million, \$12.6 million of Interest and financing expenses and \$2.0 million of Extraordinary Items from the forecast Operating Revenue of \$442.1 million.

Overall, Operating Revenue is forecast to be approximately 16.3 per cent higher than the 2005/6 forecast, while total Operating Expenses are forecasted to increase to \$395.0 million, from \$366.7 million. New revenue measures of \$23.3 million account for 38 per cent of the increase over the revenue forecast for 2005/6. This increase of \$23.3 million of new revenue measures affects the following income classifications: domestic levies – \$12.0 million; property levies – \$7.2 million; and sale of goods and services – \$4.1 million.

Total Operating Expenditure shows an increase of 8 per cent over the 2005/6 forecast. The cost of per-

sonnel, supplies and consumables accounts for approximately 72 per cent of total Operating Expenses. During 2006/7, this cost is expected to increase by 9 per cent when compared to the 2005/6 forecast. This 9 per cent movement is consistent with the latest award of a 4.8 per cent cost of living increase paid to Civil Servants and the general increase in price levels.

Included in the total Operating Expenses figure of \$395.0 million is the net loss of Statutory Authorities and Government Companies. The net loss is forecast to be \$0.8 million, a significant reduction from the \$4.2 million estimated for the 2005/6 financial year. Such an improvement is a reflection of the Government's commitment to ensuring that, in aggregate, the public authority sector achieves a break-even position at the earliest possible time.

Madam Speaker, in addition to the figures I have already mentioned, the operating forecasts include \$2.0 million of Extraordinary Expenditures. This item relates to Hurricane Ivan and consists of housing and relief assistance to the needy. It was not expected that Hurricane Ivan-related expenses would have continued into 2006/7. Nonetheless, Government must be responsive to the needs of the Islands. It is anticipated that 2006/7 will be the last year for Hurricane Ivan-related expenses to appear in Government's annual budget.

The 2006/7 Strategic Policy Statement sets a surplus of \$24.5 million as a target. The financial statements in the Annual Plan and Estimates indicate that the forecast surplus for the 2006/7 financial year is \$32.5 million: it therefore exceeds the target set in the Strategic Policy Statement.

The Cash Flow Statement indicates \$115.1 million will be used for the purchase or development of Executive Assets, and \$14.3 million for investments into Statutory Authorities and Government Companies is forecast to occur during the 2006/7 year.

Executive Assets

The Executive Assets included in the Budget are significant, not just in terms of their monetary value of \$115.1 million but also in terms of the impact they will have on the quality of life of residents.

Many of the Executive Assets included in the 2006/7 Budget are multi-year projects. It is therefore expected that they will appear in future years' budgets.

Provision has been made for \$48.6 million of new and improved education facilities. Such a significant level of expenditure is consistent with Government's third broad outcome goal of Improving Education and Training in the Cayman Islands.

The main education related Executive Assets to be undertaken during the 2006/7 financial year are:

- the construction of new high schools in Frank Sound and West Bay;
- the construction of a new high school on the

- existing John Gray High School site;
- the construction of a new George Town primary school;
- the construction of new school halls at Cayman Brac High School and East End Primary School;
- the conversion of George Hicks High School into four smaller schools; and
- the expansion and improvement of public library facilities.

Government intends to start the construction of two office accommodation buildings during the 2006/7 financial year. A provision of \$11.9 million has been included in the Budget for this purpose.

The 2006/7 Budget also seeks the following appropriations for other Government facilities:

- \$4.0 million for the new disaster-tolerant National Archive building;
- \$2.5 million for MRCU offices and the aircraft hangar;
- \$2.0 million for the start of a new summary court building;
- \$1.7 million for the purchase of land and construction of an Emergency Services Centre in Bodden Town, which will include a new Fire Station;
- \$1.0 million to fund the construction of a new multi-purpose Civic Centre/Emergency Shelter in Bodden Town;
- \$1.25 million for the development of the Jimmy Powell Cricket Oval in West Bay;
- \$1.0 million for the new Cayman Brac Sports Centre; and
- \$0.25 million for a boxing gym at the Truman Bodden Sports Complex.

Road development projects continue to be an important part of the Government's capital development program with a total of \$12.9 million being allocated for the continued development of the Islands' road network.

The main road projects that will be undertaken on the 2006/7 are the continuation of the Esterley Tibbetts Highway and the start of the new East/West Arterial Highway connecting the Savannah-Newlands area to Prospect.

Equity Investments

Madam Speaker, one key component of the Government's medium-term fiscal strategy is to seek improvement in the financial performance of Statutory Authorities and Government Companies.

While some success had been realised in this area over the past year, the Government recognises that there is a need for further investment in some of these agencies to ensure they are adequately capitalised in order to fulfil their missions.

For the 2006/7 financial year, the Government will make the following investments into Statutory Authorities and Government Companies:

- A total of \$9.1 million into the Health Services Authority of which \$2.6 million is to enable the purchase of new medical equipment and \$6.5 million to cover its anticipated operating losses;
- \$3.0 million into the Cayman Islands National Insurance Company to replenish its capital base;
- \$0.8 million will be invested in the Tourism Attractions Board to allow for various improvements to Pedro St. James National Historic Site and Queen Elizabeth II Botanic Park. In addition, a portion of this investment is to allow the Tourism Attractions Board to assume responsibility for the Caribbean Development Bank loan obtained by the Government several years ago to fund the development of the Pedro St. James site,
- \$0.5 million will be injected into the Maritime Authority of the Cayman Islands as part of a three-year plan to capitalise the Authority to enable it to fulfil its business plans and objectives;
- \$0.2 million will be invested in the Children and Youth Services Foundation;
- \$0.3 million into the Sister Islands Affordable Housing Corporation to help fund the construction of homes on Cayman Brac;
- \$0.4 million will be invested in the National Housing and Community Development Trust.

The \$130.0 million of investing activities will be funded from three sources: 1) the introduction of revenue measures; 2) borrowings; and 3) the use of existing cash balances.

Proposed New Revenue Measures

Madam Speaker, the sole purpose of the proposed new revenue measures is to assist in the funding of the important and necessary capital expenditure program required in the Islands.

The 2006/7 Budget contains approximately \$23.3 million in new revenue measures to be implemented during the 2006/7 financial year.

When the Government presented the SPS to the Legislative Assembly last November, that Statement revealed that Government would need to implement new revenue measures in order to generate additional income to help fund new capital projects and new or expanded services.

At that time it was forecast that Government would have to raise \$25 million by new revenue measures in the 2006/7 year. However, the forecasts for the existing revenue sources have been better than expected – thereby reducing, albeit slightly, the need for the entire \$25 million in new measures in 2006/7.

In deciding what the new measures would be, the Government had the difficult task of identifying new measures that would minimise the impact on the av-

erage citizen while at the same time not acting as a deterrent or impediment to the corporate sector.

The Government conducted wide consultation with many private sector associations. Many of the revenue measures being put forward by the Government were recommended by those associations.

The principal new revenue measures included in the Budget are as follows:

Stamp Duty on Land Transfers.

The current regime of a 5 per cent rate charged on all land transfers was implemented in an effort to stimulate the economy after the September 11th 2001 terrorist attacks in America.

This uniform rate is to be replaced with a tiered-rate structure.

Honourable Members will recall that certain parcels of property along the West Bay Road corridor and certain parts of George Town previously attracted a stamp duty rate of 9 per cent. The Government intends to increase the present rate of 5 per cent in those areas to 7.5 per cent. Elsewhere in the Islands the current rate of 5 per cent will be increased to 6 per cent.

The Government has decided to seek the introduction of a special rate of 4 per cent stamp duty in respect of property bought by Caymanians. However, this special rate of 4 per cent for Caymanians will not apply to those particular parcels of land along the West Bay Road corridor and certain parts of George Town that previously attracted a 9 per cent rate. Caymanians purchasing property in those areas will be required to pay a 7.5 per cent stamp duty rate.

In addition to the special 4 per cent rate for Caymanians, further concessions are to be offered to Caymanians acquiring property for the first time – as previously announced by Government. The regime that will operate in respect of Caymanians acquiring property for the first time is as follows:

- The present limit of \$35,000 for the purchase of undeveloped land will be increased to \$50,000 and the applicable rate of duty on such transactions will be zero per cent.
- If the land that is acquired has a value in excess of \$50,000 but does not exceed \$75,000, the applicable rate of duty will be 2 per cent;
- If the land purchased exceeds \$75,000, a Caymanian acquiring such property for the first time will pay a 4 per cent duty rate.
- The present limit of \$150,000 applicable to the purchase of property that includes a residential building shall be increased to \$200,000. The relevant rate of duty on such transactions will be zero per cent;
- If the value of the property purchased exceeds \$200,000 but does not exceed \$300,000 the applicable rate of duty will be 2 per cent; and
- If the value of the property purchased exceeds \$300,000 the applicable rate of duty is 4 per cent.

It is important to stress that the details just mentioned pertaining to property being acquired by Caymanians for the first time, do not apply to those areas along the West Bay Road corridor and certain parts of George Town that will attract a stamp duty rate of 7.5 per cent.

It is expected that these changes in the rates of stamp duty will generate a net of additional revenue of \$6 million during the 2006/7 financial year.

Immigration Fees

Madam Speaker, the Government intends to change the fee levels for various categories of work permits. Such changes are expected to generate an additional \$5.1 million during the year. Of this \$5.1 million, \$2.7 million is to be generated by increasing the fees for work permits in the Professional and Managerial category from \$4,070 to \$6,000. A further \$1.0 million is expected to be derived from increasing the fees in the Construction Skilled category from \$1,210 to \$1,500. It should be noted that these fees were last increased in 1998. Increases in other categories of work permits will account for an additional \$1.4 million in revenue. Work permit fees for employees in the General Domestic, Manual and Unskilled category will remain unchanged at \$150.

A \$75 processing fee will be introduced for all Trade and Business Licence applications and renewals. This is expected to produce a further \$0.6 million of revenue during 2006/7.

Local Companies Control Licences.

The fees for Local Companies Control Licences have not been changed since 1972. The Government intends to increase these fees from \$200 to \$2,500 thereby achieving an additional \$0.4 million of revenue.

Postal Rates

Postal rates for local mail were last adjusted in 2001 and the Government proposes to increase the current rate from 15 cents to 25 cents.

International postal rates were last adjusted in 1991. It is proposed that International Group 'A' mail rate increase from its present level of 30 cents to 75 cents, International Group 'B' mail rate will be increased from 40 cents to 80 cents, and Group 'C' mail rate will increase from 60 cents to \$1. Additionally, postal rates for unaddressed mail, commonly known as flyers, will increase from 7 cents to 15 cents.

These proposed changes reflect the cost of providing such services to the public. In totality, these adjustments to postal rates are expected to produce \$0.9 million in additional revenue during 2006/7.

Building Permit and Infrastructure Fund Fees

Madam Speaker, Building Permit and Infrastructure Fund Fees like the Stamp Duty rates were reduced as part of an economic stimulus package following the September 11th terrorist attacks in America. It is proposed that the existing rates be returned to their pre-September 11th 2001 levels. These changes are expected to generate an additional \$2.2 million during the 2006/7 financial year.

General Register Fees

The new revenue measure package in respect of fees collected by General Registry calls for a range of fee increases for various services provided by that Department. These increases are expected to yield an additional \$4.2 million.

The most significant change relating to fees collected by General Registry pertains to the issuance of Certificates in respect of companies listed on the Companies Registry. The fee for obtaining a Certificate of Good Standing will increase from \$41 to \$82. This is expected to produce extra revenue of \$2.6 million in 2006/7.

It is important to emphasise that most of these changes were recommended by private sector associations.

Fees for the provision of copies of documents kept on file with the Companies Registry will also increase from \$41 to \$82 and this is expected to generate \$0.7 million of additional revenue. Annual fees for Exempted Trusts will be increased from \$100 to \$500 and this is expected to yield a further \$0.3 million during the 2006/7 financial year.

Various Certification and Document fees in respect of partnerships will be increased from \$50 to \$82. Such a proposed change is expected to produce \$0.3 million of additional revenue in 2006/7.

Changes to several other fees relating to services provided by the General Registry for Patent and Trade Mark Registrations, matters arising from the Public Recorder Law and the Births, Deaths and Marriages Registry are expected to provide an extra \$0.2 million in revenue.

Tax Undertaking Certificates

Tax Undertaking Certificates are often sought by Exempted Companies, Exempted Limited Partnerships and Exempted Trusts. Such certificates provide an undertaking by the Government that the requesting entities shall not be impacted by the remote possibility of future taxation being introduced in the Cayman Islands.

The certificates are valid for a maximum period of 30 or 50 years. The fee for such undertaking certificates is currently \$150; this will increase to \$500 and will yield approximately \$2.1 million in additional revenue during the 2006/7 financial year. This revenue

measure was recommended by private sector associations.

Other Financial Services Fees

The new revenue measures also incorporate increases to: Captive Insurance Licences; external Insurer Licences; Restricted and Unrestricted Trust licence application fees and the Annual Licence Fee for Restricted Trusts. These fee increases are expected to generate additional revenue of \$0.4 million during the 2006/7 financial year.

Practising and Operational Licence Fees

At present, law and accounting firms pay \$1,500 per lawyer or accountant. It is proposed that this fee be increased to \$2,000. This measure is expected to yield additional revenue of \$0.2 million.

Madam Speaker, a new schedule of fees is also proposed for Operational Licences for Law and Accounting firms. The new schedule takes into account the number of lawyers and accountants employed in their respective firms. It is proposed that the maximum licence fee be increased to \$400,000 for firms that have fifty one or more accountants or lawyers. The maximum licence fee, at present, is \$300,000. This measure is expected to produce additional revenue of \$0.3 million during the financial year 2006/7.

Other Fee Increases

In addition to the increases that I have just outlined, the new revenue measure package also includes increased fees for Apostilles. The fee for Apostilles was last adjusted in 2001 and the Government proposes to increase this from \$50 to \$100, thereby achieving \$0.3 million of additional revenue. Increases to the fee charge at present for obtaining certificates of naturalisation and proof of nationality are expected to generate a further \$0.3 million of additional revenue during 2006/7.

Madam Speaker, it is important that I emphasise the following points in respect of the proposed new revenue measures:

- The new revenue measures do not take effect until 1st July, 2006 – the start of the upcoming financial year;
- In many instances while the legislative changes required to effect such revenue measures will be in place by 1st July, 2006, many of the enhanced revenue sources will crystallise on 1st January, 2007;
- A detailed schedule of the proposed revenue measures is on hand and will be made available to Honourable Members;
- The sole purpose of the revenue measures is to assist the Government in carrying out the important and necessary Capital Expenditure program required in the Islands; and

- Many of the significant proposed revenue measures were recommended by private sector associations.

Borrowings

The financial statements in the Annual Plan and Estimates indicate that the Government will seek an appropriation to borrow up to \$94.0 million in the 2006/7 financial year to assist in the financing of significant capital expenditures that I detailed earlier. Honourable Members will recall that the Strategic Policy Statement for the 2006/7 year envisaged a borrowing of \$89.0 million.

It would be hasty and unjustified to criticise the anticipated borrowing of an additional \$5.0 million over and above the borrowing of \$89.0 million shown in that statement. Government has an appropriation to borrow \$63.0 million in the financial year that will end on 30th June 2006. To date, only \$24.0 million has been drawn down of the \$63.0 million borrowing ability.

The \$24.0 million was drawn down in November 2005 and Government does not anticipate the need to borrow any further amount in the year to the 30th June 2006. The unused borrowing ability is therefore expected to be \$39.0 million in respect of the 2005/6 financial year. Since the \$63.0 million appropriation for 2005/6 was intended to assist in the financing of the capital expenditures during that year, coupled with the fact that a significant portion of those expenditures will not occur until the upcoming financial year, it is only fair and reasonable that the Government seeks to borrow, in 2006/7, a portion of the unused loan appropriation of \$39.0 million that is likely to exist at 30th June 2006. Government is only seeking to utilise \$5.0 million in the 2006/7 year of that \$39.0 million unused appropriation.

In listening to this Address, one might ask, if there is a \$32.5 million surplus, why is there a need for a \$23.3 million in new revenue measures?

First of all, the revenue measures form part of the projected \$32.5 million surplus. Therefore, if the \$23.3 million of revenue measures were excluded, the surplus would not be \$32.5 million. The \$32.5 million surplus and the \$23.3 million revenue measures package cannot be separated.

Secondly, this additional revenue is needed to partially fund the ongoing Capital Expenditure program, providing for new schools, roads, new government office accommodations, sporting facilities, assets and facilities for enhanced policing and other much needed Executive Assets.

Thirdly, Madam Speaker, upon completion of these facilities such as the schools, the projected 11 per cent increase in Operating Expenses explains the need for additional revenue.

Compliance with Strategic Policy Statement and Principles of Responsible Financial Management.

On a technical level, there are two bases on which the 2006/7 Budget can be assessed: whether it complies with the Principles of Responsible Financial Management and whether it is consistent with the 2006/7 Strategic Policy Statement.

Madam Speaker, the financial forecasts fully comply with the Principles of Responsible Financial Management contained in Section 14 of the Public Management and Finance Law and are consistent with the Government's fiscal strategy outlined in the 2006/7 SPS.

The first Principle of Responsible Financial Management requires Government's revenues to exceed its operating expenses. The financial statements indicate a surplus of \$32.5 million and therefore there is full compliance with this Principle.

The second Principle requires that Government's Assets exceed its Liabilities. The financial statements indicate a forecast Net Worth of \$493.2 million at 30th June, 2007 and there is compliance with the second Principle.

The third Principle requires that the Government's interest and other debt servicing expenses plus principal repayments of its borrowings should not exceed 10 per cent of its revenues. The Government's forecast debt servicing ratio for 2006/7 is 7.1 per cent which complies with this Principle.

The fourth Principle requires that the existing balance of Government's borrowings, plus a risk-weighted portion of public authorities' debt that has been guaranteed by Government, less the Government's cash balances, should not exceed 80 per cent of Government's revenue. This is referred to as the Net Debt Ratio. The forecast Net-Debt Ratio for 2006/7 is 60 per cent which complies with this Principle.

The fifth Principle requires that Government's cash reserves should be maintained at a level equivalent to 60 days of expenditure in 2006/7. It is forecast that Government's cash reserves at 30th June 2007 will be equivalent to 62 days of expenditure. There is compliance with this Principle.

Madam Speaker, in November 2005, the Legislative Assembly granted revenue approval for the 2006/7 Strategic Policy Statement to be the foundation for the 2006/7 Budget. It is therefore important to comment on the extent of compliance achieved in relation to that Statement.

The Strategic Policy Statement sets a figure of \$24.5 million as the target for the 2006/7 surplus. The financial statements indicate that this target has been exceeded since the forecast surplus is \$32.5 million.

Table 3 in part A of the Annual Plan and Estimates compares the SPS targets with forecasted performance for the 2006/7 financial year. This Table is found on page 281 in the Annual Plan and Estimates.

Madam Speaker, Honourable Members will notice from this Table that there is a negligible difference between the level of Cash Reserves targeted in the

Strategic Policy Statement and the 2006/7 forecasted financial statements.

The level of Cash Reserves at 30th June 2007 is forecasted to be \$71.0 million. This is \$0.6 million less than the \$71.6 million target set in the 2006/7 SPS. The \$71.0 million is equivalent to 62 days of expenditure and is below the 71 days targeted in the 2006/7 Strategic Policy Statement. This is due to partially funding planned capital expenditures using Cash Reserves which help to reduce Government's borrowing requirement, its interest expense and future debt repayment obligations.

Madam Speaker, the financial forecasts fully comply with the Principles of Responsible Financial Management contained in Section 14 of the Public Management and Finance Law and the financial forecasts are consistent with the Government's fiscal strategy outlined in the 2006/7 SPS.

Madam Speaker, the 2006/7 Budget complies with the Principles of Responsible Financial Management as required by the Public Management and Finance Law and is consistent with the Strategic Policy Statement which was approved in the Legislative Assembly on 30th November, 2005.

This Budget will enable the Government to achieve its goals and build a solid foundation for the future of the Cayman Islands.

Madam Speaker, I must give my sincerest thanks to: all Honourable Ministers and Official 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 in the Portfolio of Finance, the Budget Unit and the Treasury Department for producing the Appropriation Bill and its accompanying documentation tabled earlier.

I would like to make special mention of the sterling efforts of Deputy Financial Secretary, Mrs. Sonia McLaughlin, and the Director of the Budget Unit, Mr. Michael Nixon, for spearheading the production of the 2006/7 Budget.

Madam Speaker, I commend the Appropriation (July 2006 to June 2007) Bill, 2006 to Honourable Members and, accordingly, ask that they support the Bill.

Thank you, Madam Speaker.

Motion for Deferral of Debate on the Budget Address

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

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

Madam Speaker, be it resolved that the debate on the Budget Address be deferred until Wednesday, 3 May 2006.

The Speaker: The question is: Be it resolved that the debate on the Budget Address be deferred until Wednesday, 3 May 2006. All those in favour please say Aye. Those against, No.

Ayes

The Speaker: The Ayes have it.

Agreed: That debate on the Budget Address be deferred until Wednesday 3rd May, 2006.

Motion for the Throne Speech and Budget Address to be Debated Simultaneously

The Speaker: I call upon the Honourable Leader of Government Business

Hon. D. Kurt Tibbetts: Thank you. Madam Speaker, be it resolved that the Throne Speech and the Budget Address be debated simultaneously on Wednesday, 3rd May, 2006.

The Speaker: The question is: Be it resolved that the Throne Speech and Budget Address be debated simultaneously on Wednesday 3 May, 2006. All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

Agreed: That the Throne Speech and Budget Address be debated simultaneously on Wednesday 3 May, 2006.

STATEMENTS BY HONOURABLE MINISTERS AND MEMBERS OF THE CABINET

POLICY STATEMENT

“Keys to Our Future: Leadership, Compassion, Prudence and Vision”

The Speaker: I call upon the Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker. Madam Speaker, it is almost one year since the PPM Government came to office, with an overwhelming mandate from the people of these beloved Cayman Islands. Indeed, that mandate is such that (as my colleague just reminded me) while we ran only nine candidates in the General Election, we actually ended up with ten seats in this Honourable House.

We were elected on a platform which promised the Cayman Islands a government it can trust; a government that would restore public trust and confidence

in its administration; a government that would banish self-interest and patronage from the culture of Caymanian politics; a government that would obey the law and would adhere to due process; a government that would listen to what people have to say; a government that would not victimise its critics; a government that would not subject the country to propaganda or publicity stunts.

Hon. W. McKeeva Bush: Lord help us.

Hon. D. Kurt Tibbetts: We said during the campaign that we understood that trust must be earned, that words are easy and that actions are what matter. Today, as we deliver the second budget of our administration I can say with confidence that we have delivered on those courageous and ambitious promises. This country can, and indeed, does trust its government once again. The PPM, Madam Speaker, has proven beyond a reasonable doubt that it is a government you can trust.

There are those who say that the high ideals to which this Government is committed are all well and good but that what really matters in the end are results. I agree, and the Budget Address and Throne Speech delivered to this Honourable House today provide powerful evidence that the PPM is also a government you can trust to deliver to the Cayman Islands the leadership, compassion, prudence and vision that will ensure that this great country of ours will continue to grow from strength to strength.

The PPM understands, Madam Speaker, as no administration before it has, that the Budget allocations and the capital expenditure of the Government must not be made in isolation or on the basis of parochialism or patronage – but that they must be part of an over-arching plan for the development of the Cayman Islands. This approach has been possible because, Madam Speaker, the PPM is one government—not, as has been the case in the past—five independent silos, each fighting to have their individual interests satisfied, with no real consideration or regard for what is in the long-term best interest of these Islands. The PPM came to office with a plan. That plan is contained in what was referred to in a derogatory manner in certain quarters as “the little red book”. By and large, Madam Speaker, we have stuck to that plan, amending and expanding on it as events and circumstances have required. It has been just shy of a year and I am proud of the achievements of this Government. I am happy for those achievements to be measured by that same, much maligned “little red book”.

The Budget: Courageous, Compassionate, Prudent and Visionary

The Budget now before this Honourable House lays, Madam Speaker, a sure foundation for the future of these Islands. Indeed, it is courageous, compas-

sionate, prudent, and I dare say, visionary. It gives life and fuel to the mandate, ambitions and vision of this Government as articulated by His Excellency the Governor in the just-delivered Speech from the Throne.

The Budget is courageous because it proposes capital expenditure of \$130 million, the largest capital budget of any government in the history of these Cayman Islands. This is ambitious, without a doubt, but absolutely necessary to address the critical infrastructure needs of these Islands that have been neglected by successive past administrations. Schools, roads, healthcare, disaster planning, housing, enhancement of the tourism product and sporting facilities are all being addressed because this Government realises and understands that without the proper infrastructure, the quality of life in these Islands is greatly diminished and we are rendered a less attractive place in which to live, to work and to do business.

Madam Speaker, the Budget is compassionate because it addresses a significant number of social issues and it aims to improve the life of many in our society who need assistance, whether as a result of Hurricane Ivan or otherwise. It allocates a further \$2 million to assist persons who are still struggling to repair or rebuild their homes in the aftermath of that hurricane. It provides for an increase in the *ex-gratia* payments to seamen and veterans. It supports Government's initiative, in collaboration with the Caribbean Development Bank to conduct a national assessment of living conditions throughout the Cayman Islands, and I will speak to that in more detail a little later on. It is compassionate because it acknowledges that Government is keenly aware that the cost of living in these Islands is challenging and that many people are struggling to make ends meet. It is also compassionate because in developing the necessary revenue measures, the Government has been very careful to avoid imposing any new measures that will significantly impact the average person and family.

The Budget is prudent because, as the Third Official Member has so ably outlined in his address, all of the proposals are entirely affordable and the planned borrowing is well within the parameters of the Public Management and Finance Law. It is prudent because it acknowledges that the Government cannot embark on a major capital expenditure program without raising new revenue. It is prudent not only because it is balanced, but it projects a healthy operating surplus of \$32.5 million at the end of the 2006/7 fiscal year.

This Budget, Madam Speaker, is visionary because it seeks not only to address immediate issues but it is part of a longer-term strategic approach to the continued development and success of these Islands. It reflects the Government's belief and commitment that Caymanians must be able to share in the growth and development of this, their country. It recognises that specific initiatives by Government are absolutely necessary in order to encourage and to enable Caymanians to purchase real property and, in

particular, to acquire their own homes. It also acknowledges that education is the key to the ability of Caymanians to participate in the opportunities presented by the Cayman Islands' economy and that significant expenditure must be made to ensure that our children, and indeed, the adults are provided with appropriate education and training facilities, curricula and teaching. It is visionary because it recognises the need for proper planning – from the development of new schools to a national transportation plan and new government accommodations.

Concessions to Encourage Caymanian Home and Property Ownership

Madam Speaker, it is one thing to say, as countless governments before us have said, that we must ensure that Caymanians are given an opportunity to participate fully in our economy and to be able to obtain housing at affordable rates. It is quite another to actually do something about it.

This Government recognises the critical importance of Caymanians being able to acquire their own home and property. Home and property ownership contribute significantly to a person's or family's sense of self-worth, of belonging and of community spirit. It is important to the social health and well-being of these Islands that more Caymanians are able to obtain their own home, their own little piece of the rock, their stake hold in Cayman. However, with the ever rising cost of real property here in the Cayman Islands, this dream of property and home ownership is becoming more and more difficult to realise for the majority of Caymanians. Madam Speaker, for years and years, people have said that government ought to do something about it. Well, Madam Speaker, this Government, in this Budget meeting, is doing something about it. We are addressing this issue in a number of ways.

First, as the Honourable Third Official Member has outlined, the Government proposes to reduce stamp duty on the purchase of all real property by Caymanians from the existing 5 per cent to 4 per cent. The only exception to this is in relation to certain high-end properties along the West Bay corridor and certain parts of George Town where Caymanians will pay 7.5 per cent like everyone else. The significantly lower stamp duty for Caymanians is designed to make the purchase of real property more affordable for them and to encourage more of our people to own property.

Secondly, further concessions will be offered to Caymanians acquiring property for the first time. First time Caymanian purchasers of raw lands will pay no duty on the purchase of land valued at \$50,000 or less. Land valued at more than \$50,000 but not exceeding \$75,000 will attract stamp duty of only 2 per cent.

Thirdly, first time Caymanian purchasers of property which includes a building on it will pay no stamp duty on the purchase of such property valued up to

\$200,000. Property which includes a building valued at more than \$200,000 but not exceeding \$300,000 will attract stamp duty at the rate of only 2 per cent.

I dare say, Madam Speaker, these are significant concessions that we believe will have a truly positive impact on the lives of Caymanians, making the goal of property and home ownership an attainable one for many of our people. These measures demonstrate this Government's commitment to improving the lives and the prospects of our people, not by mere words but by positive action.

The Affordable Housing Initiative

Madam Speaker, the Government is not stopping there. We have largely cleaned up the monumental mess at the National Housing and Community Development Trust (NHCDT) left by the former administration and we are now moving forward with plans to provide quality, affordable housing (and I stress quality, Madam Speaker, affordable housing) for those persons in our community who find it impossible to acquire a home using the normal means of our commercial banking system.

The Trust continues its daunting task of ensuring that it remains fiscally responsible and viable. There is a growing waiting list of persons and families in need, and the Trust is striving to address the immediate housing needs of Caymanians while also taking steps to engage the construction and finance industry in the plans to make affordable home ownership a reality for many Caymanians.

The Housing Trust is actively taking the following steps to provide additional housing:

1. It is subdividing the land which it owns at Eastern Avenue and next to the Fairbanks site into single family house lots;
2. It is working with representatives of the Cayman Contractors Association in developing plans for new houses and seeking interest from respectable and qualified contractors to build houses at both of these sites;
3. It is anticipated that construction will commence in the next couple of months, during which time the Trust will be reviewing applications from interested and needy Caymanian families who are able to service a mortgage on the basis of construction costs only as the land will be transferred for nil consideration, and the infrastructure costs will also be borne by the Trust;
4. Government is assisting the Trust by earnestly looking for additional land throughout the Island on which to develop similar plans.

In addition to these measures, the Government is seriously considering reviving the Government-Guaranteed Home Mortgage Scheme as there appears to be renewed interest in this from both the private sector lending partners as well as the members of the public.

Other Measures to Encourage Affordable Housing

Madam Speaker, Government is aware that there are private sector developers who are willing, quite able and with good track records, to continue providing affordable housing. Accordingly, the Government will be considering supporting measures to assist the private sector in this most important part of the economy. For example:

- Working with the Planning Department, the Lands and Survey Department and other government agencies to ensure that such housing initiatives move smoothly through the approval processes;
- Working with private sector partners to investigate viable means to help ease the burden of rising interest rates and improving the ability of middle income earners to serve a mortgage;
- Supporting and facilitating the provision of affordable multi-family housing developments for those people in need of housing who may not be able, at this point in time, to service a mortgage.

Madam Speaker, this Budget and the policies which it supports clearly demonstrate this Government's commitment to improving the quality of life of Caymanians in a way that no other government has ever done. That is because we understand that the social issues in these Islands must be addressed and that for Cayman to be truly prosperous, all of our people must have the opportunity, at a minimum, to have a place they can call their own, a place to raise their families, a place which is their home.

Revenue Measures

As I have said on earlier occasions, this Budget proposes and supports the largest capital expenditure program in the history of this country. The program can only be achieved by additional revenue measures. Despite all that has been said and, Madam Speaker, indeed, all that will be said, the measures that are proposed in this Budget are proportionate, they are realistic and we believe from our consultations they are commercially sustainable. In some instances, the revenue heads involved had not been reviewed for a decade or even more. For those areas that have sustained increases this time around, Madam Speaker, the Government does not intend to levy any similar increases for the remainder of this term. We very much value the ability of our economy to generate wealth, and we understand that this can only be possible where economic actors have a conducive environment in which to operate.

Immigration Policy

Madam Speaker, the Government too is very conscious that a critical element of an environment conducive to business is a responsive and responsible

immigration policy. We are quite aware that our lead sectors of financial services, tourism and development can only thrive if they are able to continue to attract and retain quality employees. We are equally cognisant, Madam Speaker, of the state of uncertainty which the present law has injected into doing business in these Islands. That is why we are conducting an urgent review of the Immigration Law and its regulations. The Cabinet and the Immigration Review Team continue to devote significant man hours to this exercise and, in fact, I am pleased to be able to say that we expect to bring amending legislation to this Honourable House as early as July. Notwithstanding that, it would perhaps be appropriate for me to outline in broad terms the nature of the review to date and some of the policies that we intend to see reflected in the amending legislation.

The report submitted by the Immigration Review Team 2005 gave an extensive and detailed overview of the current legislation, and it identified provisions that needed amending under several broad categories ranging from those of a purely technical or structural nature to others that form the very backbone of the law. It is well known that many of the more important provisions like those relating to term limits and exempted employees have given the greatest cause for concern in the business community.

I believe the need for the term limit policy has now been generally understood and accepted by both Caymanians and expatriates alike, but the Government recognises, notwithstanding that, that the policy must be measured in its application so as to ensure that we continue to enjoy the economic prosperity for which these Islands are well known. By "measured" I mean, Madam Speaker, that steps must be taken to ensure that employers continue to have access to sufficient expertise and manpower in order to have business continuity. This access applies not only to the retention of personnel but also to the ability to recruit high calibre replacements from time to time where necessary for a variety of reasons, including natural attrition in the work place. We believe that the existing provisions must be amended so as to achieve this objective. In particular, it is the Government's view that more attention needs to be paid to whether or not there is a global shortage of a particular skill set rather than a local shortage given the fact, Madam Speaker, that we import labour for virtually every category of employee.

Although we intend to retain the current procedure, the one that allows for individual applications for exemption to be made to the relevant boards, the Government has taken the decision to create a more robust tool to address this concern by creating a new provision that would vest in the Governor in Cabinet the power to designate particular categories of employees in particular industries or sectors to be exempted categories. This provision will allow the government of the day to respond decisively to changes in local and global manpower trends both by aiding

and/or removing certain categories as circumstances warrant. Furthermore, this will give the government the ability to implement policy directly and swiftly while alleviating some of the burden that would fall on the boards to deal with applications on a piecemeal basis. It follows also that this approach will introduce greater certainty in the designation process.

Madam Speaker, as you are no doubt aware, designation of an employee as exempted does not exempt them from the term limit provisions. It merely permits that person to remain here on a work permit for nine years instead of seven, thereby allowing him or her to qualify to apply for permanent residence. One might therefore expect, as is indeed the case, that persons affected by the provisions, whether they be employers or employees, wish to know that once exception is granted there will be a reasonable opportunity for them to acquire permanent residence. To some degree, this will depend upon each individual and the extent to which they can meet the criteria for a grant, and in this regard, we intend to amend the permanent residence provisions to create a more level playing field for applicants.

Madam Speaker, not everyone who applies for permanent residence can or will be successful. To expect this would be unrealistic. However, having said that, the Government recognises, in the same breath, that there must be a reasonable prospect of obtaining permanent residence for those persons who remain here for eight years or more. In other words, the board must grant permanent residence in sufficient numbers for there to be any benefit to the Islands of having the exempted employee provisions. It should be fairly obvious that in the absence of doing so, few employees will see the benefit of being committed and they will likely choose to leave these Islands sooner rather than later. Furthermore, unless there is some meaningful correlation between exemption and acquiring permanent residence, few employers will be able to recruit the calibre of individual needed to fill vacancies in the workforce. The danger to our economy from this eventuality is clear and obvious. Madam Speaker, achieving all of these objectives will not be easy as we recognise that they have to be balanced against the needs and the desires of Caymanians and what is in their best interest both personally and in the workforce. Our position is simply: it can and it must be done. There is no other way. The Government will, at all times, keep at the forefront of its mind its overriding duty to Caymanians and the need to ensure that they also have a level playing field for job opportunities and upward mobility in the workplace.

In closing on this topic, it must be said that it is in the interest of everyone, including Caymanians who now enjoy one of the highest standards of living in the world, that we take proactive steps to safeguard essential employees in the workforce and the Government intends to do precisely that. More will be said on this and other immigration matters when the amending legislation is brought before this Honourable

House for debate. However, I trust that these few observations today will serve as clear indication that we fully intend to address these matters legislatively in a meaningful way.

Madam Speaker, with that introduction, I shall now move on to outline the outcome goals and policies which inform the Budget.

Overview of Outcome Goals and Key Policy Actions

The 2005/6 policy statement approved by this Honourable Legislative Assembly, established 11 broad outcome goals that the Government would seek to pursue for the 2006/7 to 2008/9 financial years. These, Madam Speaker, 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.

These broad outcomes reflect the Government's priorities and focus during its current term of office. They provide the framework within which we have established policy and prioritised expenditure. The outcomes do not stand isolated. Indeed, they are interrelated. Policy actions to influence one outcome will affect the performance of another.

Key Policy Actions

Madam Speaker, let me now turn to the key policy actions contained in the Annual Plan and Estimates.

Outcome 1: Dealing with the Aftermath and Lessons from Hurricane Ivan

The Government's primary objective under this outcome in 2006/7 is to ease some of the human suffering caused by the hurricane. It has been some 19 months since Hurricane Ivan wreaked havoc on the Cayman Islands and there are still some persons in our communities who have not been able to repair or rebuild their homes.

The 2005/6 Appropriation Law, which authorised the Government to make payments of up to \$4 million to assist our people continue through 30th June. As of today, most of that \$4 million is either committed or already spent. The Government is acutely aware that with the approaching hurricane season, it is important

that there is continuity in the relief program between now and 1st July when the 2006/7 Budget will come into effect. So, Madam Speaker, the Government now puts the Legislative Assembly on notice that we will be seeking supplementary expenditure of up to \$2 million for the hurricane relief program before 30th June, in order for continuity to exist with regards to the relief efforts.

In addition, Madam Speaker, the 2006/7 Budget provides for a further \$2 million in hurricane relief funds, as mentioned by the Honourable Third Official Member, via a contribution of \$750,000 to the Cayman Islands National Recovery Fund and \$1.25 million to the District Assistance Committees.

The lessons of Hurricane Ivan remain fresh in our minds and the Government is determined to take firm steps to minimise the impact of any future disasters. Madam Speaker, our actions today in this regard will help us realise our vision of a safe and secure Cayman Islands able to deal with any type of man-made or natural disaster.

The second area of priority for this outcome is building the capacity to better prepare, respond and recover from disasters. So the proposed Budget makes significant provisions for disaster preparedness and response. The newly formed National Emergency Management Agency (NEMA) will have its capacity strengthened through funding of \$1.2 million to that agency as well as the provision of \$2.2 million to cover the expansion and upgrade of Emergency Operations Centre (EOC) and to provide upgraded emergency generators at the Emergency Operations Centre and at emergency shelters throughout the Islands.

I have earlier, Madam Speaker, spoken of vision. Hurricane Ivan taught us that the Government needs to improve the quality of its key office facilities to better withstand hurricane and other natural disasters. Action in this area is the third key priority under this outcome, so the Budget includes \$11.9 million to begin the construction of two new hurricane shelter standard office buildings to house government departments and some of our statutory authorities. These buildings, Madam Speaker, will allow for the rapid resumption of Government services following a disaster and, Madam Speaker, it will also house many of our individuals during any disaster because they will be built to that standard.

In addition to the disaster recovery benefits, these new accommodations simply make sound financial sense and, Madam Speaker, you will have heard us mention that and you will have mentioned it yourself on many occasions previously, as the Government is currently paying some \$5 million in leasehold payments per annum for accommodation for government departments and statutory authorities.

In addition to its offices, the Government will invest in improving the storm resistance of the following infrastructure:

- There will be a \$4 million allocation provided for the construction of an expanded and disaster-resistant National Archive facility to store and protect government documents and records. The Ivan experience taught us a lot with regards our archives;
- \$1 million, Madam Speaker, is provided to begin the construction of a new civic centre and emergency shelter in the district of Bodden Town;
- \$1 million is also included in the Budget to complete a sea wall in East End which will help tremendously to protect the main road in and out of the district at critical points from potential storm damage.

Outcome 2: Addressing Crime and Improving Policing

When this Government took office, I dare say that crime was perhaps at an all-time high. We moved swiftly and strategically to address this issue by approving almost \$50 million in proposed expenditure to improve policing in the context of a four-year strategic plan to increase the capacity and the ability of the Royal Cayman Islands Police (RCIP) to deal with crime. The 2005/6 Budget provided for some \$15.5 million to initiate this plan.

In terms of increasing funding for the RCIP, this Budget for 2006/7, beginning 1st July provides for \$4.2 million for increased police presence in our communities. The citizens and residents of this country have been crying for that and we are responding. The Portfolio of Internal and External Affairs will also provide new outputs in the amount of \$250,000 relating to the sentencing and rehabilitation of prisoners.

Further to that, several capital expenditure items have also been included in the Budget to address crime and improve policing, and they are, and quite welcome to many of us, Madam Speaker:

- A \$6.2 million allocation to fund the establishment of a Police Marine Facility and the purchase of vessels and other necessary policing assets to assist with the fight against crime and improving border protection. No longer than just a few days ago Ministers and other Members of the Cabinet paid a visit, Madam Speaker, to the proposed site;
- There is a \$2 million allocation for the construction of a new law courts facility, something, again, that has been talked about for the last ten years;
- There is \$1.7 million for the purchase of land and the construction of an emergency services centre in Bodden Town. This, Madam Speaker, will also include a new fire station, and I am sure the Members of the community in that district will be quite happy to hear that;
- There is a \$750,000 allocation for the Prison Department to improve the segregation of prisoners to reduce the impact of mixing seasoned criminals with young and first-time offenders.

Madam Speaker, several legislative actions are also planned during this fiscal year to help achieve this outcome including:

- Amendments to the Prisons Law to facilitate the appointment of a Commissioner of Corrections to lead the development of modern sentencing policies and practices;
- The implementation of Drug Court Legislation to create a Drugs Court to deal with drug-related crimes specifically and to facilitate appropriate sentencing;
- Amendments to the Police Law to strengthen the crime fighting capability of the RCIP;
- The amendment of the Grand Court Law to provide for the establishment of a council of judges;
- Also proposed, Anti-Corruption Legislation to strengthen the existing provisions now housed in the Penal Code;
- And there are also proposed amendments to the Firearms Law to provide a deterrent in the use of firearms in the commission of violent crimes;
- Also proposed is the consolidation of the Proceeds of Criminal Conduct Law and the Misuse of Drugs Law.

Outcome 3: Improving Education and Training

Improving the education systems and facilities in the Cayman Islands is another key priority for the Government. Education is the key to success for our children and, ultimately, for the country. This Government is committed to achieving the best education system possible. The very future, Madam Speaker, of this country depends on it and we recognise that. We live with that printed on our foreheads on a daily basis.

The Budget provides the resources towards achieving this vision with an increase of \$3 million in education-related outputs from the Ministry and also the Education Department. Of this \$3 million it includes \$1.5 million for a new output, which is to launch the National Literacy Initiative. This Initiative is designed to improve the reading skills of our students at all levels. Suffice it to say, recent reports make it very clear to us that drastic measures are necessary to address the issues of both literacy and numeracy in the government school system.

On the capital side the 2006/7 Budget continues the investment strategy for the improvement of the education infrastructure outlined in the previous year's budget and in the 2006/7 SPS. Equity injections in the amount of \$36.7 million are being made into the Ministry of Education, Training Employment, Youth Sports and Culture to commence the construction of new high schools at Frank Sound and West Bay and the redevelopment of the John Gray High School here in George Town. In addition, this equity investment will also fund the construction of new facilities for the George Town Primary School, and also school halls at East End Primary and the Cayman Brac High School.

These education projects are multi-year projects and further allocations will be provided in the next two years' budgets consistent with the plan revealed in the Strategic Policy Statement tabled in December.

Outcome 4: Rebuilding Health Services

The key policy action under this Outcome continues to be the stabilisation of the Health Services Authority (HAS). The board of directors of the Health Services Authority has worked steadily over the past year towards achieving this goal and to comply with the Government directive to attain a break-even operating position by 2007 / 8.

The Government recognises that it is a difficult task and we are committed to ensuring that the Health Services Authority has the resources which are necessary to deliver the best possible healthcare services to our residents.

This Budget, Madam Speaker, makes provision for \$2.6 million in new outputs from the HSA to provide ambulance services and district health clinics. In addition, an equity investment of \$6.5 million is being provided to the Health Services Authority to fund the operating deficit, and a further \$2.5 million is being provided to purchase new medical equipment to improve the services provided by the healthcare facilities throughout the Islands.

Other policy actions planned during the upcoming fiscal year which will influence this outcome include:

- An equity injection of \$500,000 to improve the in-patient drug rehabilitation facilities at Caribbean Haven, and
- The Cayman Islands National Insurance Company—CINICO as we all know it—will receive an equity injection of \$3 million, quite necessary in order to re-establish its required capital base following successive annual operating losses.

Legislative action proposed in this area includes the review and modernisation of public health legislation and a review of the Health Insurance Law.

Outcome 5: Addressing Traffic Congestion

The Government recognises that traffic congestion is a serious problem which affects the quality of life of residents and visitors and it presents challenges to various sectors of the economy. In addition to the ongoing work on major arterial roads, the Government is in the process of developing a National Transportation Plan to address the issue of traffic in a comprehensive manner. The 2006/7 Budget makes an allocation to continue this very important project, which will guide the development of the National Road Network well into the future.

The Budget for 2006/7 provides \$12.25 million which will fund:

- The acquisition of land for roads; the continuing development of the Esterley Tibbetts Highway;
- The commencement of works on a new East/West Arterial road linking Newlands with the Prospect area and various other road works projects throughout Grand Cayman.

In addition to the road-related capital projects, the Government also intends to pursue amendments to the Traffic Law and other related laws to influence safer driving on all of our roads. All of us, Madam Speaker, are very concerned. There have been far too many accidents and fatalities in recent times and the Government is moving in a deliberate fashion to address the scourge.

Outcome 6: Embracing Cayman Brac and Little Cayman

The Government, as has been said and proven on many occasions before, is fully committed to the economic and social development of Cayman Brac and Little Cayman. We also recognise the unique character and circumstance of those Islands and we will tailor any initiatives to ensure the best fit with the residents there.

The proposed Budget continues to provide for a wide array of outputs to be delivered by various government agencies both on Cayman Brac and Little Cayman. It includes allocations totalling \$4.7 million for capital expenditure in Cayman Brac and Little Cayman across Government's broad outcomes. The projects to be funded include:

- a new hall at the Cayman Brac High School;
- developing a sports centre on Cayman Brac, and that will be on the Bluff, Madam Speaker;
- maintenance of the West End Channel and the waterway up to Dennis Point on the south side;
- various new road projects;
- the upgrading of the air-conditioning and emergency power systems at the Aston Rutty Centre;
- improvements to the Little Cayman airstrip;
- additional street lighting;
- a slaughter house on Cayman Brac;
- improvements to the Museum; and
- upgraded boat ramps and jetties

Also a further \$300,000 has been allocated to the Sister Islands Affordable Housing Corporation to fund construction of low-cost homes in Cayman Brac during this fiscal year upcoming.

Outcome 7: Conserving the Environment

Madam Speaker, the natural environment is of critical important to those of us who live here in these Islands, as well as being the foundation of our tourism industry. The Government is therefore committed to

protecting the environment for both current and future generations.

This Budget will provide for an increase of \$500,000 in output funding for the Department of Environment to increase the level of services which it provides in respect of environmental regulation, protection and conservation.

The Budget also will provide funding for some important environmental-related capital projects including:

- \$1 million for the continued acquisition of land for the Barkers National Park;
- \$1.2 million for the purchase of equipment to improve the collection and disposal of solid waste both here in Grand Cayman and Cayman Brac;
- \$200,000 to allow the Department of Environment to construct a facility in Little Cayman which will improve its ability towards enforcement and its conversation activities there.

Key legislative actions which are planned in this area include:

- The introduction of national conversation legislation aimed at increasing protection for flora and fauna of the Cayman Islands;
- New regulations will be developed and implemented to create the North Sounds Special Management Areas, something, Madam Speaker, which is absolutely necessary at this point in time;
- The review and implementation of a new set of environmental health and solid waste laws and regulations to improve the regulation of the sector and the operations of the Department of Environmental Health.

Outcome 8: Strengthening Family and Community

We consider this outcome to be central to the well-being of the nation. So, Madam Speaker, a large portion of the Government's policy actions and expenditure are related to achieving this outcome. Excluding funding provided for under other outcomes, two of the more notable new operating expenditure items included in this Budget to influence this Outcome 8 are:

- Increasing the monthly *ex-gratia* benefit paid to seamen and veterans to \$500;
- Purchasing an additional \$300,000 in outputs from the National Housing and Community Development Trust to tackle the growing issue of affordable housing in the Cayman Islands.

Madam Speaker, in terms of capital investment actions to support the outcome, the Government is committed to improving the quality of life of our elderly citizens and the Budget makes provision for \$450,000. That money will fund improvements to the Golden Age Home in West Bay, and it is also included in the expenditure to establish a senior citizens centre

in your own district, Madam Speaker, the district of North Side.

We recognise that there are many families struggling to keep up with the increasing cost of living. So, Madam Speaker, it is our desire to develop policies that enhance social development and improve the overall quality of life for all of our residents. In order to do this, the Government needs data on which to develop sound policies. For too many years, Madam Speaker, it had been guess work and emotion.

So we have undertaken the initiative to conduct a National Assessment of Living Conditions with the assistance of the Caribbean Development Bank (CDB). The Caribbean Development Bank has acknowledged our need for this study and has most generously offered major financial support to ensure its completion.

Preliminary arrangements and preparations are currently being made and the start of the actual assessment is due to begin in September of this year and will run between six to nine months. It is anticipated that the findings of the study will be presented to Cabinet in June of next year.

Madam Speaker, it is important for us to do this project. The objectives of the assessment are:

1. To determine the level of poverty across the Cayman Islands;
2. To identify factors affecting the living conditions of Cayman Islands' residents; and
3. To identify and to enhance social development policies, strategies, programs and projects.

It is important to note that while a small, experienced team of consultants identified by the CDB will provide the technical expertise needed to conduct the study, most of the work, Madam Speaker, will be carried out by our own people. In fact, one of the objectives of the assessment is to improve the capability of local entities to conduct future assessments with very limited use of outside assistance.

In order to ensure the success of the project, it is essential to ensure a multi-sectoral approach and as such, the National Assessment of Living Conditions will be coordinated by the Ministry of Health and Human Services and the Cabinet Office.

The project will be steered by the National Assessment Team comprised of representatives from various Government agencies, non-governmental organisations (NGO's) and the private sector.

Once this study is completed, the National Assessment Team is further charged with planning and formulating short, medium and long-term policy reductions which address poverty at its root causes.

Madam Speaker, this is one of the landmark initiatives of the Government and one which I am extremely proud to be associated with. This study will provide the long-awaited qualitative and quantitative information needed to ensure that Government, community and private sector resources are strategically

directed to assist those who most need financial cultural economic and social empowerment.

Sports development is another area of priority for the Government, and in order to achieve this outcome—and in addition to the projects mentioned over in Cayman Brac—the Budget also includes a \$1.5 million allocation which will fund the construction of a new boxing gym at the Truman Bodden Sports Complex and the continued development of the Jimmy Powell Cricket Facility down in West Bay.

There are a number of important legislative measures which relate to Outcome 8 that are planned for 2006/7. These legislative measures include:

- Anti-tobacco legislation which includes smoke-free policies and addressing the marketing and use of tobacco;
- Revision of the Mental Health Law to address the treatment of mental health patients and to establish mental healthcare policies;
- Revision of the Children Law to ensure compliance with child protection and welfare policies;
- Revision of the Adoption Law to update procedures for the adoption of children;
- Development of food hygiene and drinking water quality regulations;
- Development of cemetery management regulations to regulate the management of private and public cemeteries; and
- Amendment of the Legal Aid Law to streamline the granting of Legal Aid.

Outcome 9: Supporting the Economy

Madam Speaker, as I said during the debate on the Strategic Policy Statement (SPS), the fact that “supporting the economy” is Outcome 9 does not mean that it is less important than any of the other outcomes. Supporting the economy, indeed, must and will have utmost priority.

The Budget includes funding at existing and increased levels for outputs to support the development and regulation of the various sectors of the Cayman Islands’ economy. It provides funding across several agencies to continue to build investor confidence and to encourage inward investment.

While there are no significant capital needs or extraordinary expenditures in this Budget in relation to the financial services sector, the Government wishes to reaffirm its strong support for the sector as befitting a key economic driver. This is evidenced by:

- Our policy approach to immigration issues as I outlined a bit earlier in the address;
- The public relations and intergovernmental relations support for the sector;
- Support for the commercial enhancements to sector products and the services via all the necessary legislative upgrades; and
- The continued investment by the Government in funding for the necessary public sector infrastruc-

ture, such as the General Registry, the Cayman Islands Monetary Authority, the Maritime Authority of the Cayman Islands and the Cayman Islands Stock Exchange.

The sector's success, Madam Speaker, is Cayman's success, and the Government very much values the partnership with the sector that enables both the benefits and the burdens of success to be borne together as we secure sustainability and prosperity for all of our futures.

This Government's support for the other key economic driver is unequivocal. The tourism industry will benefit from a provision of \$2.9 million in new outputs for the Department of Tourism to pursue, among other things, increased marketing of the Cayman Islands in Europe. This is an effort to attract more tourists from Europe to help to diversify and secure our tourism industry. In addition, there is funding provided across a number of agencies to support the “Go East” initiative which seeks to encourage tourism development in the eastern districts of Grand Cayman, including \$400,000 to purchase additional land for a public beach in Bodden Town. I must say, Madam Speaker, that all indications tell us that there is a tremendous interest throughout the three districts for this initiative.

The local agricultural sector will be further supported by a range of improved services from the Department of Agriculture and also, Madam Speaker, \$1 million has been allocated for the redevelopment of the Farmer's Market, which will expand into the Agri-Tourism Project in Lower Valley.

There are a number of important legislative actions which are also planned in relation to Outcome 9. There is:

- a Tourism Authority law;
- an Employment Law to make amendments to reflect public feedback on the existing law;
- a Data Protection Law to provide protection for information relating to living individuals and to ensure ready transfer of data with the European Union;
- Reporting of Savings Income Information (EU) Regulations to implement savings income reporting requirements;
- the Tax Information Authority Regulations will prescribe forms and notices for the Tax Information Authority; and
- the amendments to the Development and Planning Law will effect possible changes to the development plans for Grand Cayman, Cayman Brac and Little Cayman.

Outcome 10: Open, Transparent, Honest and Efficient Public Administration

This outcome is important to the Government because it reflects the way that the PPM Administration wishes for the Government to operate. It is the outcome that best reflects the philosophy and approach

we wish to bring to the business of government, and by now I think it is very obvious, we are bringing to the business of government.

Madam Speaker, with less than one year in office, the PPM Government has established a strong record of openness and transparency in its actions, even when we are criticised. This Budget reinforces that philosophy by funding the Ministries and Portfolios to be able to implement the regulations to support the Public Service Management Law and to meet the requirements of the proposed freedom of information legislation soon to be brought to the Legislative Assembly.

Madam Speaker, I will just quickly take a moment here to note that following up on one of our manifesto promises, which was to look very seriously at the operations of the Legislative Department, I can say that the Honourable First Official Member and the Honourable Second Official Member are now collaborating with the necessary measures after meeting with your good self, in order to move towards this Department having the autonomy that it needs but does not have at present. So, I am confident that that will happen in the very near future.

Outcome 11: Sound Fiscal Management

The Budget is based on sound and responsible fiscal management, which is one of the Government's keys to success. The Honourable Third Official Member, in his address a little earlier, expounded on the strengths of the financials which underpin this Budget, and I just want to take a few moments to explain the key fiscal policies which have guided Government's decision-making process for this Budget.

Compliance with the principles of responsible financial management was a primary objective for the Government, and the proposed 2006/7 Budget certainly fulfills that requirement. The new revenue measures included in the proposed Budget are in-line with the plans outlined in the Strategic Policy Statement. These revenues, Madam Speaker, are critical to the continued development of the Cayman Islands in every regards.

The funds realised from these measures will be used to finance the construction of new schools and improvements to several other key assets. We must realise and accept that over the longer term, these additional assets that are acquired will increase the level of operational expenditure. So the additional income will also, in the longer term, assist in offsetting the increased operational costs of the enhanced services which will be provided by these new assets.

Conclusion

Madam Speaker, in conclusion, the 2006/7 Budget sends a clear message about the vision that the PPM Government has for this country. It is a plan for the long-term development of these Islands that is

progressive, yet it is firmly rooted in reality. It holds out no promises of miracles, or for that matter, Madam Speaker, quack medicines because we know that it will take some time. However, we have set the programs and priorities and we have dealt with the crucial issue of funding.

This Budget lays the foundation upon which the future of the Cayman Islands will be built.

- It boldly addresses the development of critical infrastructure which has been neglected by successive governments which have preceded the PPM.
- It recognises and it treats compassionately many of the social issues which plague this community, such as housing;
- It acknowledges the need for additional revenue measures, but it does so fairly, proportionately and after consultation;
- It is balanced and it projects a healthy operating surplus;
- It is prudent and it restricts borrowing to affordable limits.

Madam Speaker, in short, the 2006/7 Budget before this Honourable Legislative Assembly today bears the hallmarks of this PPM Administration and the keys to our future, those keys being: "Leadership, Compassion, Prudence and Vision".

Thank you, Madam Speaker.

ADJOURNMENT

The Speaker: I call on the Honourable Leader of Government Business for a motion for the adjournment of this Honourable House.

Hon. D. Kurt Tibbetts: Madam Speaker, I move the adjournment of this Honourable House until Wednesday, 3rd May at 10 am.

The Speaker: The question is that this Honourable House do now adjourn until 10 am Wednesday, 3rd May, 2006. All those in favour please say Aye. Those against, No.

Ayes

The Speaker: The Ayes have it.

At 1.14 pm the House stood adjourned until 10 am Wednesday, 3 May 2006.

OFFICIAL HANSARD REPORT
WEDNESDAY
3 MAY 2006
10.10 AM
Second 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 10.12 am

**ADMINISTRATION OF OATHS
AND AFFIRMATIONS**

Oath of Allegiance

Administered by the Clerk

Mr. Colin Ross, MBE, JP to be the Honourable Temporary First Official Member responsible for the Portfolio of Internal and External Affairs and of the Civil Service

The Speaker: May we stand?

Mr. Colin Ross: I Collin 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, once again I welcome you to these hallowed Chambers. I think maybe we should just get a permanent position for you so that we do not have to constantly swear you in. You may now take your seat.

Please be seated.

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

Standing Order 10(2)

The Speaker: Before I offer apologies for late arrival or absence, I would like to bring to the attention of this Honourable House that Standing Order 10(2) states very clearly that the proceedings of the Legislative Assembly shall start at 10 am unless the Speaker changes that time. It is now 10.15 am and we are just getting underway.

I would ask Members, please, you have a lot of business to do; Ministers have a tremendous amount of work in their offices, and each Member of this Parliament has work to do for their constituents or otherwise. Can we ensure that Parliament in the future starts at ten o'clock?

Apologies

The Speaker: I have apologies for late arrival of the Honourable Second Official Member and apologies for absence from the Honourable Minister of Communications, Works and Infrastructure for 3 and 4 May.

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

The Speaker: I have received notice of a statement by the Honourable Minister responsible for Tourism.

**Statement Correcting Misinformation Regarding
Berthing Facilities Contained in Cayman Net News**

Hon. Charles E. Clifford: Thank you, Madam Speaker.

Madam Speaker, as the country will be aware, in an open and transparent manner, the Government holds weekly press briefings to inform the community of governmental affairs and to answer questions which the media may have. This past Friday during the weekly press briefing I was asked a question regarding berthing facilities and I provided an update. Unfortunately, despite information having been provided, one news source has reported speculation rather than facts. I am referring to an inaccurate report appearing on page two of today's *Cayman NetNews* entitled, "Berthing Facility Talks Finally Begin", which claims that the Government and Misener Marine Construction Inc are engaged in discussions regarding a berthing facility.

Madam Speaker, I want to categorically state that this is not the case. There is absolutely no truth to the statement that the Government has met with Misener Marine Construction, Inc. concerning berthing facilities. As Minister of Tourism, I have had no meetings with Misener Marine Construction, Inc. While the Government acknowledges Misener Marine Construction, Inc. is an internationally respected marine contractor, it is not one of the interested parties to whom I referred.

As I stated during the press briefing, I have recently held follow-up meetings with two companies which have expressed interests in collaborating with the Cayman Islands to develop berthing facilities locally. These discussions commenced in September 2005. Neither of the companies are marine contractors. Madam Speaker, the Port Authority and the Government are reviewing maps to determine suitable locations. Once more information is available, further updates will be provided and there will be public consultation on the matter. However, only preliminary discussions have been held to date.

Madam Speaker, given the Government's regular availability to answer questions the media may have, it is certainly troubling that there would be an inaccurate report such as this one.

Thank you, Madam Speaker.

GOVERNMENT BUSINESS

Commencement of Debate on the Throne Speech Delivered by His Excellency Mr. Stuart D. M. Jack, CVO, Governor of the Cayman Islands, Together with the Second Reading Debate on The Appropriation (June 2006 to July 2007) Bill, 2006 (The Budget Address), Delivered by the Financial Secretary, the Honourable Third Official Member on Friday 28 April 2006

The Speaker: Does any Member wish to speak?
[Inaudible interjection]

The Speaker: I was about to say that, but— Second Elected Member for the district of West Bay.

Mr. Rolston M. Anglin: Madam Speaker, I thank you for recognising me to offer my contribution to the debate on the Throne Speech and Budget Address which were delivered last Friday.

Madam Speaker, let me start off by observing that while the new Governor came and delivered a speech from the Throne, it reminded me of how we have become so accustomed to tradition. Madam Speaker, if we take that Throne Speech and compare it to every single one that I have seen in my short time as an Elected Member for the district of West Bay, all one has to do is change the date, a few titles, the name of the person presenting it and it is the same stuff: headings with brief blurbs that are so meaningless to the health and the state of this country and its people that one has to wonder why it is that we continue year after year to invite the Governor down here to deliver what are, quite frankly, very boring, uneventful 30-something pages.

No disrespect to the Governor, Madam Speaker, but when you see something happen year after year, after year, you have to question in your mind what it is that we are hoping to achieve. So, Madam Speaker, needless to say, there is not a whole lot for me to contribute to any debate on the Throne Speech. I will then turn my attention to the Budget Address.

Madam Speaker, we do need to update what it is we do because, certainly, the times have passed the tradition and we continue to refer to the Throne Speech and the Budget Address when, in fact, we have had an important interjection for the last few years, and that is a Strategic Policy Statement that the Government also presents. That, Madam Speaker, is something that is much more meaningful to the life and times of Caymanians and these Cayman Islands.

Not to say, Madam Speaker, that I agree with the Policy Statement.

[Laughter]

Mr. Rolston M. Anglin: First, Madam Speaker, let us look at the Budget Address and what has been presented by the Government.

Madam Speaker, Government has come forward with a projected surplus of some \$34.5 million. We see, Madam Speaker, that the Government has also presented its projected financial statements and all of the major principles that are outlined in the Public Finance and Management Law and where the Government sees the country being relative to each of those principles.

Madam Speaker, it is not surprising that the country is projected to be in compliance with all of the major principles because, certainly, almost 12 short months ago when this new Government took office, it found a country in such a state. So they would have

had to have really lost their way to have been able to change that in a short 12 months. So that is not surprising. There are no surprises there.

Madam Speaker, the projected financial statements that the Honourable Third Official Member made reference to during his contribution, again, paint a relatively sound picture of a fiscal perspective for these Cayman Islands. We see that not only do we have the projected surplus of some \$34.5 million before extraordinary activities, but we also see a positive growth in the net worth of core Government which, of course, is very important because the country has to continue to build its resources.

We know that, from an infrastructural and cash perspective, during the good times it is always prudent to take advantage and try to gather and earn as much as possible because we know that the economy travels in cycles. So when you look at it over a long term there will be peaks and valleys; there will be aggressive growth periods and we will have recessions or mini-recessions over any long period of time, say, ten years.

Critical, of course, to any debate around the Budget Address are the assumptions that have been made for the Government to arrive at its financial projections both for the current year and, of course, for the medium to long term. So we see, Madam Speaker, that the Government is projecting a healthy growth in the economy. The measure that they use for that is real GDP growth being approximately some 3.6 per cent.

The Government is projecting that inflation will increase by some 3 per cent. The unemployment rate, Madam Speaker, utilised was some 3.8 per cent. Of course we all know that in any economy there cannot be zero per cent unemployment; there are always people who are changing jobs. Then there is always the issue of adults within any society who, for whatever reason, are unemployable. In the Cayman context, those are mainly persons who, for some physical or mental problem that they have [are not able] to hold a job or be employed within the economy.

The other assumption that underpins this Budget is the demographic trends remaining constant. That is a very interesting point, Madam Speaker, because, certainly, the demographics of the country are critical to the sustainability of the economy and, indeed, the ability for us to grow at this healthy rate being projected, the 3.6 per cent. I will come back to that a bit later when I am dealing with the whole issue surrounding immigration.

Madam Speaker, we were also presented with a new revenue measures package, which is dressed-up language for a new tax package. But for some reason we have stuck to that old tradition as well and we use the term "revenue measures". Apparently, that is more palatable for when people have to pay. At the end of the day, Madam Speaker, it is increasing the tax base of the country. It is introducing changes that

cause Government to be able to earn increased revenue, or project to earn increased revenue.

Madam Speaker, I think it is safe to say that the other assumptions are just standard assumptions. The debt-servicing assumption is based on certain interest rates and borrowing agreements. There is the assumption of the exchange rate remaining constant (which I do not think any of us will take any issue with); and there will be no material contingent liabilities or other claims becoming actual liabilities, more importantly, actual current liabilities.

So, Madam Speaker, when you take the actual budget itself—the crux of the Budget—we see the Government presenting what is required by the Public Management and Finance Law, that is, a surplus budget and one that, if achieved, would certainly contribute greatly to the Government's coffers and allow for this Government to be able to certainly have the monies available to attempt to achieve some of its objectives.

Madam Speaker, the revenue measures were outlined in detail by the Honourable Third Official Member, and there are a number of items where the Government is projecting to accrue significant revenue. When I say "significant" I mean \$0.5 million and more.

The main ones, Madam Speaker, are a change in the stamp duty regime. And I cannot say it is back to what existed post-2001 because there are some changes that have been made. However, the fixed fee that has been attached to the transfer of real property of 5 per cent is proposed to be changed to 6 and 7.5 per cent and actually reduced to 4 per cent for Caymanians.

There is a series of changes in work permits. The most notable of those is the change for professional managers going from \$4,950 to \$7,500 per year, and the change of construction skilled workers going from \$1,210 to \$1,500 per year. Those two items are projected to increase revenue by some \$2.7 million. So, more than 50 per cent of the \$5.1 million that revenue is projected to be increased by as a result of these increased work permit fees.

The other major area of increased Government earnings is going to come from the issuance of tax undertaking certificates. Madam Speaker, that rate for exempted companies, exempted limited partnerships, and exempted trusts, is moving from \$150 to \$500; and for exempted companies that are projected to earn an additional \$1.925 million. Madam Speaker, there are also proposed changes in regard to the Companies Law and those changes are projected to produce some \$4.3 million in additional revenue to the Government.

The biggest earner in that category, Madam Speaker, is the issuing of certificates, which is going from \$41 (as it presently stands) to \$82. Of course, those are any sorts of certificates, as I understand it, which would be your incorporation, your Certificate of

Good Standing, et cetera. That is projected to increase revenue by some \$2.6 million.

Providing copies of any documents is also proposed to be increased from \$41 to \$82, which is going to produce some additional \$700,000 in revenue.

Madam Speaker, a new item (and I think in going through this it is the only new item I could find) is an application fee for a Trade and Business Licence which is being introduced at a rate of \$75 and is projected to provide an additional \$585,000 in revenue.

Madam Speaker, the planning regulations and the changes in the Development and Planning Law (in terms of the fee structures that were changed in 2001 to accommodate for the fact that we were going through an economic downturn at the time) is projected to produce some \$2.2 million in increased revenue. All told, Madam Speaker, the new tax package is projected to increase the tax base by some \$23.3 million to the Cayman Islands Government.

Now, Madam Speaker, the Government has proffered the view that these new revenue measures are not going to have any negative impacts on the economy; that certainly, any impacts they would have would be more than offset by the good that would come out of them. They have also put forward the view that these items will not have a negative impact on the average Caymanian, the average person, the average resident within these Islands. I think most of us understand what we mean by that. However, I will go on to say that we are talking about persons who are in the lower income-earning brackets within the community. They would not feel any negative impact from this Budget and from these proposed new revenue measures.

Now, Madam Speaker, I will come back to that point and offer a few observations in that regard. However, I will say at this juncture that with the cost of living and surviving within these Cayman Islands, we all are acutely aware that whether it is the average man or not, the majority of persons in this country cannot take any more increases in the cost to survive. Madam Speaker, while average income in Cayman may be more than it is elsewhere, I think it is fair comment to say that the cost of survival is also substantially higher than it is in most other countries.

Now, Madam Speaker, I would like to round off my few brief comments on the Budget document itself by making a couple of observations. I have said in the past—and I will repeat it here because it is worth repeating—that for Government to meaningfully engage the public in taking up an interest in its affairs, it must do its endeavour best to ensure that the information it gives is in as concise a format as possible, but also in a format that is as easily understood as possible. So, I would encourage the Government to ensure that in the future when a Budget is presented we do not just present these large, bound documents which are, first of all, intimidating to the average person.

When you look at a document that is the size even of the Annual Plan and Estimates (which runs to some 326 pages), it is not highly likely that the majority of the population is going to take a document like that and try to even tackle it, to try to understand it. I think it would be very important and very helpful to the community as a whole to have some sort of very concise, melted-down version of what the Government is going to achieve.

This, Madam Speaker, does not take a lot of work because all of the detail is already here. We need a Budget highlights document, something that runs no longer than four or five pages that shows clearly, Madam Speaker, where we are, where we are heading, just as the financial statements at the back do, but, again, in a much more user-friendly and understandable fashion. People do become intimidated by these types of documents.

The other thing that any open and transparent Government would seek to do is provide as much statistical information that gives meaning to what is contained in these financial statements. Madam Speaker, I think it is rather unfortunate for me as an Elected Member, for example, to figure out what is the increase in the operating costs of Government that I have to sit there in front of my computer, take the Budget document and re-input all this information that exists somewhere in a computer and run the formulas myself.

You see, Madam Speaker, transparency is easy to talk about, but there are small ways to achieve it, and, certainly, I think all of us accept that the Budget process is the hub of the governmental process.

[Inaudible interjection]

Mr. Rolston M. Anglin: Madam Speaker, I hear from the other side comments like, why did I not do all of that before.

Madam Speaker, let me remind the House that I have never been a Minister of Cabinet, nor have I ever been a Minister of Finance. This country does not have a Minister of Finance, so I am not quite sure how it is they would propose that I would have done it.

However, what I would suggest to the Government is that they take on board these good ideas, give credit to where they came from and just do it.

[Inaudible interjection]

Mr. Rolston M. Anglin: Madam Speaker, this is the most important thing at this point. So, you see, there is no sense in us getting involved with those types of dialogue because that is unhelpful dialogue.

Let us just fix the problem because I think all of us would agree with what I just said. I think all of us would agree that we should have a document that shows the percentage makeup of expenditure and revenue and the proposed increase in those items,

because those snapshots are what clearly paint a picture to the public. I will be going into the expenditure side in a minute because I think it is rather revealing when you start to actually analyse the Budget.

What I am saying, Madam Speaker, is that when you present information in the same way it has always been presented, coming out of the type of system that this system of governance is predicated upon—secrecy and the executive having its way with as little accountability as possible—let us face it, that is the history from which the Westminster style of Government comes from. So it is no surprise that even the end product we see today in the year 2006 still bears out that history by just the way in which information is given to Members of the House and given to Members of the public. So I look forward to, perhaps, the next Budget, when the Honourable Third Official Member gets up and presents it with highlights pages.

I would like to think, Madam Speaker, that the public is going to have a very concise document that it can pick up at the Legislative Assembly and know what is going on in the country because we all talk about democracy, democracy, democracy. Is democracy not the involvement of the people in the affairs of their country? Or, do we define democracy simply as an exercise whereby we go to the polls every four years, we vote, we do not really understand what is going on in our country, and then we get upset because life has not changed dramatically so we replace those that were there with some new ones, expecting a different result.

I do not think, Madam Speaker, that is the aspiration of the majority of people in these Cayman Islands these days. I think the majority of people see governance and see the country in a very different way.

Now, Madam Speaker, there are some statistics, so let me not paint a picture that is totally negative. I mean, there are some analytics within the Budget document. There are some notes, for example, to the financial statements that support the actual numbers. So there is information there. However, Madam Speaker, it is information that persons who come from the types of background like myself easily navigate around because this is all I have done for all my adult life.

However, again, I think we need to move away from and get into the times in which we live, and that is to be clear, open, be transparent and show clearly to the public where the country is and where we are heading. I believe, Madam Speaker, it will surprise us how much more involved people will be if we are able to disseminate to them the type of information and the types of format that are manageable, easy to understand and easy to interpret.

Now, Madam Speaker, that is, from a big-picture perspective, the nuts and bolts of what we have before us. We have before us an Annual Plan and Estimates that is supported by some annual Budget statements, some purchase agreements, and

the ownership agreements with Statutory Authorities and Government companies. All told, Madam Speaker, it is more information than any of us in this House are going to go through page-by-page.

I will now turn my attention briefly to what exists beneath the surface of all of this because, Madam Speaker, I believe that the story that lurks beneath the surface is much more interesting than what is painted just on the pages of these documents.

Madam Speaker, I start off by reminding this Honourable House of the Government's position as stated by the Honourable Leader of Government Business on 8 August 2005, when he was delivering the strategic style policy statement that underpinned the preparation of this Budget. He said: **"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."** [2005/6 *Official Hansard Report*, page 139]

That, Madam Speaker, is an assessment that I think the majority of Members—I dare say all Members of this Honourable House—would agree with. However, Madam Speaker, when I look at this particular year's Budget and when I look in-depth at the revenue measures that are being brought, I have to call into question whether or not this stated policy has changed.

Madam Speaker, first, the majority of projects that this Government will seek to undertake will not be completed by the end of the 2007 financial year. We know that the majority of the projects, such as schools and office accommodations, will straddle fiscal years, financial years.

I searched and I searched, to no avail, to find in this Budget where the \$23.3 million worth of new government services are being proposed. I can say that there is a proposed increase of operating expenses of \$28.2 million. That is a fact.

If we look at page 302 of the Budget document we see Total Operating Expenses are proposed to increase from \$366,719,000 to \$394,951,000, which is an increase of \$28.232 million if we want to be absolutely, positively precise. Madam Speaker, that represents an increase of some 8 per cent in overall government expenditure. What we then have to do is look at what major items make up the expenditure of government and how those items have moved if we are going to try to match up this stated policy with what has actually occurred.

We see that approximately 50 per cent of government expenditure goes to personnel costs. For the year, Personnel Costs have increased 11 per cent

from \$177,939,000 to \$196,854,000. That is an increase, Madam Speaker, of \$18,915,000. Therefore, of the \$28.232 million increase in total expenditure, the increase in Personnel Costs alone accounts for 67 per cent of the increase in government expenditure.

We also see that Supplies and Consumables have increased by some \$4,438,000, which is a dollar increase, and the percentage increase over the 2006 year is 5 per cent. However, that increase, Madam Speaker, represents 16 per cent of the \$28 million overall increase, so just in those two items we are up to 83 per cent of the increase of government expenditure.

Now, Madam Speaker, to paint the complete picture, we also have an increase in Depreciation charges, which is up \$1,672,000, or 11 per cent, which represents 6 per cent of the increase.

Outputs by Statutory Authorities and Government Owned Companies that the central Government is purchasing from those entities are up 10 per cent and represent 22 per cent of the change. Now, Madam Speaker, those numbers add up to greater than 100 per cent and that is because there are two items that have decreased, or are proposed to decrease during this fiscal year. One is Other Operating Expenses, which is going to decrease by some \$180,000, which represents approximately a reduction of 1 per cent.

A Net Loss of Statutory Authorities and Government Owned Companies is projected to decrease from \$4,150,000 to \$816,000, a reduction of some \$3.334 million which is actually an impressive 12 per cent of the overall increase in operating expenditure. So, Madam Speaker, all told, we are up 8 per cent and we are up \$28 million over the prior year.

I have searched and searched—to no avail—to try to come up with where is it contained within these items that the Government is going to have an increase of some \$24.3 million in new services. Certainly, Madam Speaker, I cannot see any circumstance that would cause Government to have to increase Personnel Costs to match any new services at the tune of some \$18.9 million in this current fiscal year. Therefore, Madam Speaker, I would have to assume that some of this increase would have to do with increased pay within the service and, of course, some projected new posts.

When I search Supplies and Consumables, again we would know that the Government is going to continue to build up the physical infrastructure of the Islands, and so there will be a natural increase in those items. Again, I was a bit lost from the presentation thus far and the Budget document that has been presented in trying to ascertain how that \$4,438,000 increase this year in that category is associated with new services.

So I think, Madam Speaker, that the country and this Honourable Legislative Assembly deserve a detailed explanation as to this stated policy of the Government, which is: **“New revenue measures will**

be only implemented where there are demonstrable increases in government services that need to be financed—such as new schools. [And that] New revenue will not be used to fund existing services.” There certainly is a mismatch there. [2005/6 *Official Hansard Report*, page 139]

Now, Madam Speaker, perhaps the Government might come forward and say that what the new revenue measures are actually going to do is to contribute to the projected surplus in this Budget. So, in other words, Madam Speaker, what seems to be the case from what I have heard so far in the presentation and what is contained in the Budget statement, and what I have been able to glean from the numbers in the Budget documents, is that the Government has come to the country to tax it by an additional \$23.3 million when there really are not any tangible amounts of new services to speak of. However, those amounts are going to be amounts that the Government is going to earn and become a part of the surplus, and therefore would allow the Government to maintain the cash position that it thinks is necessary to allow it to continue to meet the principles of prudent financial management as outlined in the Public Management and Finance Law.

So, Madam Speaker, again we stand to be told what the situation is and how it is that Government sees that it is holding true to its promises and holding true to its stated policy as regards implementing new taxes. That is, indeed, a situation that I think needs significant explanation to this Honourable House and to the wider country.

Madam Speaker, New Taxation. We have before us proposed changes in the stamp duty regime. I think it is a fair comment to say that most people in the country expected at some point in time that the stamp duty rates would trend back toward where they used to be. It would be interesting though to understand precisely what sort of statistical information the Government used in ascertaining what the supply and demand elasticity is in this area, given the fact that that rate of 5 per cent has been in place now going on five years.

Madam Speaker, it is one thing to have a temporary reduction to 5 per cent for, say, a six-month period and then a government comes along and says, *‘Okay, we had that temporary reduction to try and boost the economy and now we are going to increase it,’* because no one would have gotten used to it. No one would have seen it as the norm. No reasonable person could have rationalised and said, *‘Okay, this seems to be the new rate. This seems to be the new cost of these items within the Cayman Islands’.*

We all know that while a lot of Caymanians lament and often are very critical of foreign land ownership, the land was either the Crown's or Caymanians' in the beginning. So I do not know of any cases where there was widespread piracy within the land system and so foreigners came and took any Caymanians' land. To the best of my knowledge (and those

who are here that are a little older than me can correct me if I go wrong) the land was Caymanians' and Caymanians sold the land. Caymanians continue to sell the land.

So, Madam Speaker, while we look at this duty rate and we say, well, it is going up, there are certain carve-outs that will not allow it in certain areas to reach some of the pre-2001 rates. For example, the 9 per cent dutiable area is not at present going back to those rates in that area. Nonetheless, we are increasing the rate and we all understand in this House how foreign direct investment is a key component to the Cayman economic success story. We all understand that despite demand for land, the fact that people lament over some of these matters to which we all have to hold ourselves accountable for (that is, the disposition of land from Caymanians to non-Caymanians), we all have to agree that was one of the key building blocks that caused the country to arrive at this healthy economic state.

What makes the Caymanian dollar equivalent to US\$1.2? Is it because the Cayman Islands government says it is so and that has to be it, and that is it? No, Madam Speaker, if it was that simple then every other country would have strong currencies. What causes strong exchange rates is a strong economy which drives strong demands for the currency.

There continues to be a strong demand for the Cayman Islands' dollar. Is it tourists who simply want to pick one up and look at it? Is that the type of demand we are talking about because it looks cute? No, it is strong demand driven by economic forces. What are those economic forces? Those economic forces are international business. Those economic forces are persons who come here to buy condos on Seven Mile Beach. Those economic forces are persons who come here and acquire large tracts of land for major development. Those economic forces, Madam Speaker, are varied, but we have to be very clear that we understand the cause and effect.

We understand that one of the key areas of strength for the Cayman Islands' dollar is the demand for land. When I say "land" I should say real property, so the demand for condominiums and apartments is a key ingredient in the Cayman success story.

We have had a situation that has existed going on five years (half a decade) that the duty rate (while there have been rumours here and there) was going to be increased. It was never increased. So, it would be very interesting to know what type of modelling took place to convince the Government that increasing the duty rate will not cause a significant reduction in the demand because, Madam Speaker, while we may say 2.5 per cent or 1 per cent is not a significant increase, it is for a person who is trying to make in a lot of instances a personal and/or investment decision. It is, Madam Speaker, significant when we know and we see what the cost of real property is in Cayman.

You see, Madam Speaker, if the cost of real property in Cayman was relatively cheap, then the 1 per cent becomes less meaningful. So, Madam Speaker, if the average cost of condominiums on Seven Mile Beach Road was \$100,000, then 1 per cent would only be \$1,000. However, we know that the new units that are going up on Seven Mile Beach Road are, in the majority, close to seven figures. You rarely see any of the new units in the new redevelopment projects that are going for anything less than \$800,000 to \$900,000 and up. You often see units that are going for prices such as US \$2.5 million. So, Madam Speaker, we need to clearly understand how it is that we came to this conclusion.

Is it that we came to the conclusion that we see the economy is strong and we hear from the realtors that demand is strong; and therefore it is a best guess that if we put it back to where it used to be (which is what people know it should be in any event) demand will not fall off? I am not sure. If that is the analysis maybe we are going to be right. Maybe we will get the \$6 million. Maybe we will surpass the \$6 million just purely on the strength of the economy.

However, Madam Speaker, I think it is incumbent upon Government that when we are going to increase taxes we do ensure that the House and the public understand the analysis behind the decision to increase the rates because that rate increase is very important to these Islands. That is not a simple increase that we can shrug our shoulders at and say, *'Oh well, it is only 2.5 per cent and the majority of that is going to be borne by rich people buying condos on Seven Mile Beach, the Ritz-Carlton or units at the new hotel/condominium-type developments that we see existing these days,* which one can only assume to be the continuing trend that we will see even in the new projects that come to these shores.

Now, Madam Speaker during my debate on any issue, I am the type of person who will not shy away from giving credit where it is due. I must give the Government credit for the reduction that they have proposed to Caymanian land owners of 1 per cent because, Madam Speaker, I think all of us know how the Opposition feels about home ownership and land ownership. I think it is fair to say that this entire House feels that it is a key building block and a key to nation building and, therefore, it is an important factor contained within this Budget. Having gone through the Budget, Madam Speaker, I would have to say it is the one highlight. It is a positive step forward.

I would like to understand though, Madam Speaker, how it is that Government is going to administer this whole area. First of all, Madam Speaker, it says that this rate is going to apply to Caymanians. We all know the difficulties we have had over the last few years in defining what a Caymanian is. Is it a person of Caymanian status, or is it a person that is Caymanian as of right? Those can be two different types of people, Madam Speaker, so that is one thing.

I presume that what the Government is going to say is that it is a person who is of Caymanian status. Therefore, persons who are Caymanian as a right and had to acquire it would have some certificate showing that and that would be their evidence for getting this new duty rate.

I do, Madam Speaker, see a real opportunity in this for a new type of black market to develop in Cayman, because when we look at the price that some properties go for we will see that 1 per cent is a significant sum on a \$2 million condo, for example. It will be very interesting how the Government is proposing to monitor it to ensure that there are no abuses of the system.

I can think of many types of schemes revolving around land holding companies, for example, that could be concocted by persons to try to escape the higher duty rate. Remember now, I say the 1 per cent reduction. The real reduction at the top end is 3.5 per cent because the new duty rate that is going to apply to Caymanians is not the 5 per cent, it is the 7.5 per cent, save for the new stamp duty regime that the Government announced in regards to new and first time real property owners. So, in reality, 3.5 per cent of a \$1 million condo or a \$2 million condo is a decent amount of money. I could easily see certain types of schemes coming up—totally legitimate, totally legal—to meet this criteria. I am not saying it is going to happen, I am saying the risk is there, Madam Speaker.

If the risk is there, I would have to hope and presume that the Government had also seen that risk and that they are going to explain to the House and to the country exactly how it is that they will mitigate that risk and ensure that those abuses do not happen because it would be most unfortunate for two reasons:

Firstly, from an ethical perspective it would be wrong, but the people would be conducting a legal transaction. Secondly, it could cause the Government to not realise the Budget that they put forward. If we do have a lot of people who go through and are able to create structures that meet the test of Caymanian, then we have an issue.

Now, if the explanation is that (as the notes here say) it is for individuals only, so therefore coming up with any sort of schemes are going to be more difficult, well, that is true. However, Madam Speaker, at the end of the day we still know that, ultimately, where there is significant savings to be made, people will try different things to save the money. That is plain and simple. As I said, how Government is going to try to ensure that does not happen is something that I think is very important to the Budget and to the country as a whole.

Madam Speaker, the Cayman Islands have seen, over the last decade and a half, a distinct trend toward companies who are doing businesses here, international companies looking at their operations globally and deciding how they are going to reposition and restructure themselves. For example, Madam Speaker, we have seen what has been commonly

termed locally “downsizing” of some of the major players in the investment arena, in the financial services arena. So while we may see a UBS moving some of its back-office operations to Bahamas, jobs are lost in Cayman but, ultimately, there are still those functions being carried out within the entity.

So, Madam Speaker, those companies who have gone through that exercise over the last number of years continually have to monitor their investment decision in Cayman. For those who were thinking about doing things slightly different, Hurricane Ivan provided a perfect test case because it forced a lot of companies to have to say, *‘We cannot operate in Cayman. We have to continue doing business. How is it that we are going to do it?’*

So some of those companies, Madam Speaker, did it and they did it successfully. They did it without a hitch. Their clients saw no fall off in service, they were able to relocate staff to different jurisdictions and put in place their contingency plans they had for years and be able to continue and to deliver high-quality service to the clients.

I am of the view that every time Government goes after corporations directly—and that is what work permits do because, Madam Speaker, we know that some 50 per cent of our workforce is foreign nationals. We also know that we have a very short history in scholarship grants and education being a priority. We are still coming out of the seaman's era. Let us not get lost in where we are historically.

So with the growth of economy we have had to, by necessity, bring in foreign expertise at different levels to be able to conduct business in the Cayman Islands, so when we see increases that are targeted at the managerial level, increases that are targeted at the skilled level, those are the areas that we have as Caymanians a distinct shortage of. That is where we are, Madam Speaker, continuing to try to aspire and to push our people forward. That, I believe, has been the goal of these Islands for many years now. The government has done it through various means. Private sector has done it either on their own or forcibly through many means, mainly scholarships and training.

So, Madam Speaker, when you see that the tax increases that are being proposed are targeting key areas to businesses, we have to be very cognisant of the fact that businesses are going to continue to evaluate whether or not they need to be in the Cayman Islands at all. Businesses have found out, Madam Speaker, that there are certain functions and certain structures that they can come up with that allow them to not have to go through the immigration hassle, to not have to go through the work permit hassle and still be able to deliver the quality service they need to their clients and make the money they need to make. We see it in hedge fund administration, Madam Speaker. There is a global shortage of accountants.

Cayman has been successful over the years in attracting high quality professionals, but we see the

continuing trend for our fund to be administered elsewhere. Madam Speaker, we even see entities acquiring the necessary licensing to have a Cayman vehicle and, in certain instances, the services delivered by that vehicle. He subcontracted on shore and so an on-shore entity does the work. An on-shore entity therefore reaps the real benefits because the real benefit, Madam Speaker, is not a licence fee; it is not a name on a door. The real benefit is having highly skilled persons in this jurisdiction living and having those companies operate here because it provides more opportunities for Caymanians.

I will say here, as I have said to many young Caymanians, the ultimate goal of every one of us as individuals and every one of us in this Legislative Assembly has got to be the furtherance and promotion of Caymanians. However, when we look at life, there is a bottom line or a threshold below which we do not want to fall. Certainly, while we are continuing on the struggle of trying to see Caymanians reach the upper echelons of management within entities, we want to make sure that we keep the environment conducive to business so that the entities are here for Caymanians to get a job in the first place. If you do not have a job to get, what is it that you are going to dream about? Where is that dream of reaching management going to come from? So, Madam Speaker, we have to be very careful at the message that we are continuing to send.

I believe, Madam Speaker, that this particular aspect of the Budget is continuing that trend of Cayman being an expensive place to do business. Therefore, continuing that trend will only continue the trend of corporations re-looking at themselves and saying, *'Is the Cayman Islands the place we want to be to conduct our business affairs?'*

You see, Madam Speaker, Cayman had a decision to make a number of years ago when we got into the financial services business. The decision was: would we be a jurisdiction where we simply rented out our name and therefore went for multiples of registrations, causing fees to be paid without necessarily wanting the jobs and the people to come. Cayman said, *'No, we want to try and attract business to Cayman. We want to have economic growth. We want to have job opportunities within the local economy.'* So in going down that road we need to make sure that all policies drive toward that, all policies foster that principle. I do not believe the policy of continuing to hit the sitting ducks, to hit the easy targets is the answer. I do not believe that to be the case.

So, Madam Speaker, I do not believe that these increases are necessarily going to be for the long-term benefit of this country. It is one of those increases, Madam Speaker, that can be spun politically to your advantage because there are Caymanians who see any increase like this as assisting them. There are Caymanians who say, *'Yep, increase the work permits because we need to push the prices up as much as we can when it comes to foreign labour'*

because what that is going to do is make foreign labour less attractive and relative to Cayman labour. I am not so sure, Madam Speaker, that history thus far in this country has proved that theory to be correct.

I would proffer the view of control that surrounds persons who are on work permits and the ability of employers to feel as though they have a set number of employees who are much easier to control and much easier to work at rates that they see fit—rates that oftentimes cannot support the average Caymanian who has the average Caymanian dream of home ownership, of family and an automobile. So, irrespective of these costs, that will not necessarily be a deterrent to employers who have that as an MO (modus operandi). So I do not see this increase as being a positive either way you slice it or dice it.

Now, what is the risk that we may not achieve the financial target within this 12-month period? Perhaps, Madam Speaker, I think common sense tells us that the risk within this Budget is very low because certainly, if we were mid-year, mid-financial year for most companies so most companies are not going to make a decision at present. So I do not think there is a huge risk for Government not achieving the \$5.1 million, I think the risk is in the long-term prosperity of Caymanians and the Cayman Islands. I think the risks lie in the long-term job prospects for Caymanians. I think also, Madam Speaker—

The Speaker: Honourable Member, is this a convenient point to take the morning break?

Mr. Rolston M. Anglin: Yes, Madam Speaker.

The Speaker: Proceedings will be suspended for 15 minutes.

Proceedings suspended at 11.35 am

Proceedings resumed at 11.55 am

The Speaker: Please be seated. Proceedings are resumed. The Second Elected Member for the district of West Bay continuing his debate. *[Pause]*

Madam Clerk, the Member is inquiring as to how much time he has left. *[Pause]*

Honourable Member, continue your debate and we will pass you a note when it gets close to the end of your two hours.

Mr. Rolston M. Anglin: Thank you, Madam Speaker, but suffice it to say I would take it that I must have a lot of time left if it took her that long to see.

Madam Speaker, I would like to move on from the two areas of greatest concern that I have in regards to the revenue measures and turn my attention quickly to the whole issue of borrowing. Now, Madam Speaker, I know that when one looks at the Pre-Election Report before the 2005 General Election, and if we look at the medium-term strategy that was con-

tained in that, certainly there was an acknowledgment that significant upgrade, improvement and building of government infrastructure was vital. I think the entire House and the entire country understand that. I think we all recognise that it does make sense for government to have significant lease payments for office accommodations when, in fact, government could own its own accommodations.

We all know that we have outgrown the Glass House. We know what happened to the Tower Building after Hurricane Ivan, which has exasperated the situation so we know that is needed. We know, Madam Speaker, that from a national perspective, Grand Cayman is in dire need of additional road infrastructure. I can be quoted as saying in this House that I saw the ultimate development of roads in Cayman as being the catalyst for the new wave of economic activity that this country will see and I truly believe that. I believe that when we start to open the country up that is going to be crucial to our long-term health and prosperity.

We also know that there are areas in education that need addressing. We know we need new schools, we know we need schools to be upgraded. We know that we have great problems at Northward Prison. We know there has been a cry for additional mental health facilities on the Islands so the list goes on and on. We understand that there is a great need for additional monies to be allocated and spent in the whole area of government infrastructure.

As I said, I am not going to step off and fall into the trap of talking about the \$94 million in a vacuum and not also recognising that there was an acknowledgment before the last Election that significant sums of money needed to be spent by Government to get us to where we needed to be. However, Madam Speaker, there are a couple of questions in my mind in regards to the \$94 million.

First, Madam Speaker, I wonder why it is that Government is seeking to have such a high authorisation limit in a single year, because just looking at the economy we see the redevelopment that is happening on Seven Mile Beach Road. We see one additional property that is currently being cleared. We hear about two more properties that are currently boarded up, condominium property that is apparently going to be slated for redevelopment in the near term as well, we see all of the private projects that are happening within the country, and so times are busy. Things continue to be busy. Things continue to be robust in the construction industry. I am trying in my mind to figure out how all of that is going to interplay with the desires of Government. How is that going to interplay with this \$94 million over the next 12 months? Is Government realistically going to be able to draw down this amount of money and be able to spend this particular amount of money? Some would say, "*Well, no harm, no foul.*"

We are seeking the authorisation. If we spend it, fine. If we cannot spend it, then simply the country does not incur the additional debt. However, Madam

Speaker, it being there also leads one to ask if Government is able to spend the entire \$94 million, then where are the human resources, where are the people, the manpower, going to come from to be able to spend those significant sums of money? As I said, when you look at what is happening currently in construction, I stand to be corrected but it certainly does not appear as though there is any excess capacity or significant capacity out there in terms of people who have work crews that are not currently utilised.

So, Madam Speaker, I believe that it would be very interesting to find out precisely how Government came to the conclusion that this significant sum should be put in this year's Budget and how it is that those monies would be spent given all that obtains in the domestic economy. I am not sure, Madam Speaker, where the labour could come from for Government to be able to do this amount of work, this amount of value of work, in addition to what is happening currently in the private sector.

Now, Madam Speaker, if I could just very quickly turn my attention to a number of areas that exist and offer a few comments as to where we are and where we are heading and how it is that the Budget is going to assist us in getting there. Madam Speaker, we had a long continuing debate over the last 12 months in regards to care for the elderly, the indigent and the disabled, why that is important and how Government is going to try to ensure that more attention is paid to our aging population. With access to better health care our people are living longer, and so with them living longer you have persons who are ill being able to survive longer and being cared for.

When I look at the Budget (and in particular NGS 29 which is the provision of Residential and Nursing Care of Indigent, Elderly and Disabled Persons), I see that we are projecting the caseload to increase from 18 to 20 persons. In this instance, this is dealing with the Pines Retirement Home.

We see, Madam Speaker, the proposed funding decreasing from \$463,000 to \$407,000. I am left to question, in my mind, how that interacts with where it is we are heading.

I searched through that entire Ministry trying to come to grips with that decrease and to try and see if, perhaps, there were other areas that were being increased which were offsetting it, and I certainly could not find any. So that had caused me, personally, a lot of concern. What has also caused me concern, Madam Speaker, is that certainly, I have not seen any projected outlay of cash to deal with additional facilities, save for the proposed acquisition for the district of North Side. I think over the last few months between debates in the House, dialogue in Finance Committee, questions that have been raised as Parliamentary Questions in this Honourable House, it is safe to say that all Members are in agreement and understand that this is an area that we need to pay more attention to and that we need to put some funding in place for in a relatively short period of time.

So to put things simply, I just find it to be a situation that is unacceptable, that the Government is proposing to have the authority to borrow up to \$94 million, and yet an area that is critical for us as Islands and for us as a community, does not seem to be receiving the attention that I think it needs to receive.

Madam Speaker, the Golden Age Home in West Bay, while it has served the community well it simply does not meet the needs of the West Bay community any longer. We understand that Bodden Town is in need of elderly care facilities. We understand that while the Pines Retirement Home is more of a national facility, it too has serious issues in terms of needing additional funding and rehabilitation of the actual plan. Certainly, I would have to think with a district the size of George Town that there just are, simply, inadequate beds for persons who would desire to have loved ones in those facilities.

Madam Speaker, I have had in the last year two constituents who have come. In both instances it is a crippled relative and in both instances what has happened is the parents are getting extremely old, all I would have to guess in their upper 60 to 70's and are not able now to care for that child any longer. So, Madam Speaker, I personally believe that this is an area that the Government needs to pay more attention to.

I think that if we are going to, as a Legislative Assembly, vote on a Budget that proposes the authority to borrow up to \$94 million we cannot do so in good conscience and not vote additional resources in this area. Not only do we need additional resources for persons who need to be in these facilities on a permanent basis, we also know that there is an increased demand for persons who would like to leave a relative or loved one in a daycare-type facility, which would all be encapsulated and incorporated in one single facility. You would have a permanent population in each of those facilities, but you would also have a daycare element where you could drop the loved one off in the morning before you go to work and pick them up in the afternoon. Or, even if resources permit, have a system where perhaps you collect the loved ones and drop them back off because that certainly is an available option as well.

So, Madam Speaker, I think that this is an area that we cannot continue to neglect. We cannot continue to get up and give flower speeches and talk about how much these senior citizens have meant to building this country, how much the senior citizens have meant to our current prosperity and to have the facilities and lack of facilities as exist in these Islands. We have to address that area.

Madam Speaker, the one thing that is good about it is, in the majority of instances they are not necessarily large projects. They are not like constructing a school or constructing a new office accommodation building. You are talking about a, relatively speaking, smaller project so it is something that I think Government can achieve within the next 12 months. So

we believe, Madam Speaker, that this is an area that we cannot, in good conscience, have fall through the cracks again and say 'Soon come'. Madam Speaker, we need to address the issue plain and simple. We need to enhance the current facilities, and where we need new facilities we have to just take the bull by the horns and do it because, Madam Speaker, in my mind it reflects badly on us as the current class of legislators and I think it reflects badly on us currently who are the adults in this society.

We cannot continue to have this situation as it exists. We have spoken at length to the Minister in regard to the West Bay facility. Even in the past we have gone out and gotten some donations for the West Bay facility that we know can assist Government in this regard, so in terms of the West Bay facility, we do not even need the full amount from central Government because we have had a firm offer of \$200,000 to assist with the facility. However, we need the assistance of Government; \$200,000 will not do it. We need to have the assistance where we can get the plans developed, approved and underway, and for whatever additional sums are needed Government to simply give the commitment and spend the monies in this critical area.

Madam Speaker, we just cannot continue to go down the road that we are where there are small areas that need attention, and in most instances, the persons affected are minorities in the community. They are no longer a majority and dominant in voice and the same exists with mental health. The same exists. It is simply a case of who had the loudest voice. That is where the resources tend to get spent. That is a creature of most democracies and how democracies tend to work.

However, Madam Speaker, we cannot use that as an excuse. We have to tackle these critical issues that I think reflect what type of society we really are. Are we a society that really does care and really does appreciate all that has been done to get us to where we are today? Do we really care? Do we really appreciate? I think we cannot continue to neglect the elderly, we cannot continue to neglect the disabled and we cannot continue to neglect the indigent when it comes to residential care. We cannot, Madam Speaker.

The Minister has in this Budget document also talked about having to completely revamp the Health Services Authority (HSA). Madam Speaker, the health of the nation and access to healthcare is obviously one of the key ingredients to a successful and stable country. However, Madam Speaker, all of us as legislators (and those who have been around a lot longer than me can attest to this even more so) have all been bombarded with the continuing complaints about the quality of care.

I had a doctor, Madam Speaker, a few months ago at the George Town Hospital notice me and he recognised me. He ran out and he shook my hand and he said how glad he was to see me up there be-

cause he said that, he thought, would bode confidence in the public to see one of their legislators also come to the George Town Hospital for care. While that is true, Madam Speaker, I think the Minister and the Ministry need to come up with a more robust system to deal with the complaints that are lodged because there just is not a lot of confidence. Let us say it as it is.

Within large segments of our population there is not a lot of confidence in the quality of care of the George Town Hospital. If there is no confidence, then how is it that we expect that people are going to go there? I know people who are older and their [only] means of survival is the Social Services' \$450 a month. A lot of them have free medical care as well, but a lot of them will tell you that they would much rather inch and pinch their little money and use it to go to a private physician because they have lost confidence, and that is an issue that is not going to go away.

We can build as many systems as we want, we can implement as many management systems and we can implement as many accounting systems as we want. If we do not cut to the core of the issue—the quality of care and coming up with new ways to do business within the Health Services Authority—we are not going to get to the bottom of this mammoth problem and we will continue to pour resources at it, powerful financial resources at it and not get out the results that I think most of us believe that we can and should get out of the system.

I note that in the press recently there is a new Chief Executive Officer at the HSA, and so certainly we would hope that that is part of his mandate—to deal effectively with some of these very serious issues that face the Health Services Authority and face us as a country.

Madam Speaker, I turn now to an issue that really has me completely befuddled and that is immigration. Madam Speaker, we know and we have seen in the press—and I was a part of a second review team that was appointed late last year to deal with some of the issues that surrounded the Immigration Law. To the best of my knowledge, the final report rests currently with Cabinet, and it is now up to Cabinet to come up with whatever, or agree on whatever solutions it sees fit to some of the issues—to all of the issues that have been pointed out.

Now, Madam Speaker, once you start talking as some people have chosen to talk about immigration over the last year, you inevitably create confusion and uncertainty. Madam Speaker, I think in broad terms the principle of the new law was one that people saw and said, *'Okay, we have a new regime when it comes to persons who are coming to the Cayman Islands to work.'* We knew we had transitional provisions within the Law to deal with those who were here.

There was a new system as it related to permanent residency. As soon as comments like, *'Oh*

, the Immigration Law has more holes than Swiss cheese' were made, as soon as comments like, *'Oh, the fixed-term policy as it currently stands is unworkable'* were made, all that I saw happen was more confusion being placed in the system and people not knowing where they stood and where they were going. It is amazing, Madam Speaker, that a law could have more holes than Swiss cheese, that a report could be submitted to Cabinet, as far as I know sometime in late October, early November. We are in May and we still have not seen any substantive solutions come to fix all these holes, as it were.

Madam Speaker, I do not know the motivation, but it is my personal opinion that there were those in this community who felt it necessary to create a lot of confusion and create furor, so much so that the Government has had to get up on a number of occasions and pointedly say the fixed-term policy is not up for review. They did not just get up and say that because they had nothing better to do, they said it because in the community out there (and they hear it just like we hear it) they know that there was a lot of confusion out there and there were rumours upon rumours that, *'Oh, the fixed-term policy is going to be abolished* and this was going to happen and that was going to happen.

Now, the Government has most recently during this process said that they are going to revisit how the fixed-term policy works insofar as they were going to recommend that Cabinet be charged with the responsibility to exempt certain categories of persons if it deemed fit so as to ensure the continued competitiveness of Cayman in regards to recruiting in those areas.

Now, Madam Speaker, firstly (and I think most that know me will know that I personally would not support any move that reserves that right within the Cabinet), I do not believe that life moves and is so dynamic that there are situations that arise where, all of a sudden, there is a new category of workers that have never been heard of, never been contemplated that Cabinet now has to act instantaneously at one of the Tuesday meetings to create a category and an exemption for that category. I believe, Madam Speaker, that to strengthen decision making and democracy in this country we need to continue to have as much authority reside within this Legislative Assembly as possible. I do not believe the case can be justified and can be built that if that is the route that we feel we should go—that is, by statute we exempt certain categories—that it should not be done here in this Legislative Assembly. The Government will obviously be able to come up with whatever spin it need to in regards to their proposal.

I just do not think, Madam Speaker, that they can justify that. That is not something that bodes well with me. I believe that as much authority as possible should rest within the hands of the people, all the people's representatives.

This Legislative Assembly meets four times a year. Certainly there will be, if that proposal holds true, a certain number of categories that currently would need to be exempted. We simply bring those and we say, *'These are the exempted categories, debate it and you pass it and you get it over with.'* I cannot see that being a list that is going to be so fluid and so ever-changing that the Cabinet should seek to rest within itself the authority to change those categories.

The Speaker: Honourable Member, I know you have several other points to make. You have 15 minutes remaining.

Mr. Rolston M. Anglin: No, Madam Speaker, I only have two more points to make. Thank you. I will be finished before my 15 minutes are up.

[Laughter]

Mr. Rolston M. Anglin: Otherwise I know my colleagues would move a motion so that we could waive the Standing Order and I could continue on.

[Inaudible comments and laughter]

Mr. Rolston M. Anglin: Madam Speaker, the other thing surrounding immigration that has me even more confused now about what the Government is thinking is that on page 12 of their Budget document—first of all, under “Outcome 2: Address Crime and Improve Policing” we have an amendment to the Immigration Law. I think it was an unfortunate place for that to be put because it somehow seems to foster some of the ignorance that pervades the community, which is that changing the Immigration Law is going to reduce crime. [Laughter]

However, I guess it seems to be that that is the way the Government thinks. I mean, that is what the Government has in its Budget document. It says, Madam Speaker, Amendment to the Immigration Law, one bullet point, and it reads, ongoing review of certain immigration legislations (e.g., review of rollover issues, et cetera). I certainly hope that before this debate is over the Government makes it clear what it means by that because here we go again, more confusion, more uncertainty, less opportunity for Cayman. If this Government is still labouring under the delusion that the Cayman Islands is this heaven that is the only place for business to go, they need to wake up and we need to understand there is real competition out there for Cayman. We need to understand that we do lose business. Now, every country does. When a business is looking to set up and it is choosing between Bermuda, Cayman and another jurisdiction, they are probably going to pick one so the other jurisdictions lose.

A lot of times, in most instances, governments do not know that they have lost the business because the companies more than likely did not come and an-

nounce and say, *'Oh, by the way, I am looking to set up an international presence and here are my options and here is what I am thinking.'* That is usually done in the corporate boardrooms behind closed doors. I think good sense will tell us though that Cayman is a place, due to its reputation, that has over the years made the final list for a lot of persons who are looking to set up an international presence.

Having said that, we need to continue to have clear policies, especially those surrounding immigration. We cannot have the continued confusion that is out there, and the Government cannot truthfully get up in this House and say that they do not know that the confusion is not out there because their actions have proven they know the confusion is out there. Why else would they get up publicly and talk about, *'Well, we are not going to do this, we are not going to do that.'* They know that the confusion is there and they know that as long as they keep this immigration issue under wraps (and only God knows when the Bill will ever make it to the House) it has a negative impact on this country.

The Government also has to know that putting stuff like that in their Budget document for the public to pick up on would have to now create more room for debate, more room for confusion and more room for uncertainty. Uncertainty is the biggest enemy of business. Business likes certainty so that it knows what the rules are. It can choose whether or not those are the rules it wants to play by or else, plain and simple.

[Inaudible interjection]

Mr. Rolston M. Anglin: That is what businesses want, Madam Speaker.

Hon. W. McKeeva Bush: Yes, I have (inaudible)—

Mr. Rolston M. Anglin: That is all, nothing more, nothing less.

Hon. W. McKeeva Bush: The director of an ethnic (inaudible).

Mr. Rolston M. Anglin: Now, Madam Speaker, I must say that we will, no doubt, get some explanation to some of these matters in regard to immigration, but the Government fully well knows how crucial that issue is to our long-term success. I know that certainly the Minister of Education knows the amount of depth and thought that went into the immigration regime as it stands. You know, we are going to have all those debates about, *'Oh, this was rushed. That was rushed.'*

[Inaudible interjections]

Mr. Rolston M. Anglin: However, he knows, ultimately, that long term what was created was for the best long term for this country and so whatever problems there are, we need to fix them.

[Inaudible interjections]

Mr. Rolston M. Anglin: We need to fix them, Madam Speaker. We just need to fix them and get on.

[Inaudible interjections]

Mr. Rolston M. Anglin: Now, Madam Speaker, Accountability Initiatives: You know, at the beginning of the debate on the SPS (Strategic Policy Statement) last year I posed a question: What is it that we are doing? What is it that we prove when we go through this ritual? Once a year you have a Budget, you may have a supplementary appropriation, you may not, or a pre-appropriation, you may not. You have an SPS. We all get up, we rant, we rave and we try to score political points. Ultimately, Madam Speaker, if I was a civil servant I would sit back and I would be laughing because you know what happens every year? Every year the numbers increase like, as I pointed out a little earlier in my debate we are going to have personnel costs going up and we are going to have this going up and that going up. Rarely do you hear of any ceasing of policy in Cayman, very rare. Usually around Election there may be one or two things new. Government comes in and says, 'I do not like this, I do not like this, I do not like that.' They are usually very specific projects and not usually broad or deep policy changes.

So, Madam Speaker, you see we continue to go through this process. We are going to bring officers down now to tell us what we want to hear during Finance Committee. There will be more than likely no changes to the appropriations other than if they find some mathematical error, so they are going to make off with the money they want anyway and then next year we are going to talk about all the problems that still exist in the country and here is how we are going to fix them: we are going to throw some more money at it.

Accountability: Madam Speaker, we believe it is high time for this country to start to mature from a democratic perspective and from an accountability perspective. The Cabinet and Executive need to understand that, ultimately, the Legislature needs to have more authority to hold accountable those who have to carry out policy. One of the only ways to do that, Madam Speaker, is to create an Appropriations Committee.

Madam Speaker, the Finance Committee (and I hope I do not offend anyone, I have gotten so disillusioned with it that I find it to be farcical), it is an utter and absolute waste of our time and taxpayers' time. What we need to do is stop the tail from wagging the dog and come up with systems. They are nothing new. I mean, most of the mature democracies have them. We need systems in place that are going to force the system to be accountable to us who vote the money on the people's behalf. We do an injustice to ourselves and our constituents year after year coming

down here, beating each other up and all the while they are just laughing out the door.

I hear the Government talk about they are going to give all this money to Police. Everyday in the *Caymanian Compass* I see some Caymanian senior officer who has now resigned. I wonder what is happening about that. What is it that is happening? Perhaps another good committee that would be of the whole House, maybe a National Security Committee where we bring down here those who are charged with that important issue, we hold them to account, we give them specific measurements and we tell them, 'You perform or else you are out the door!' When is it that we are going to get to that level of maturity in this country?

I can tell the Government, give the Police all the money you want. If you think that is going to reduce crime you have got another thing coming. All we are doing is throwing the taxpayers' money away and we are not going to get the results we need. We are just not going to get it.

The system is so large. The system is so large in this country, Madam Speaker, that you cannot make a dent. It is like a flea going and jumping on an elephant. That is what we are down here. That is all we are. We are a flea jumping on an elephant.

All we are doing down here is the same thing we did last year and for those of us who were fortunate enough to have been elected the prior time, the year before that and the year before that and the year before that. We need to create systems of accountability that work, are robust and hold people to account and ensure that we are disposing of the public's business in a much more robust manner.

I will tell you another thing we need to restructure, Madam Speaker. We believe we also need to look and revisit our whole government board system. For years we have gone through and we have done the same thing over and over and over again. When we got elected in 2000 we talked about how bad some things had happened in the prior administration.

[Inaudible interjection]

Mr. Rolston M. Anglin: This administration will look back and talk about all the problems that happened and were created during the four years before—

[Inaudible interjection]

The Speaker: Could we give the Honourable Member the privilege of concluding his debate so that I can hear him and he can hear himself? Thank you.

Mr. Rolston M. Anglin: So, Madam Speaker, when you look at a very simple model, the country up north, the United States, it had a series of very powerful committees of its senate and of its House. Those committees are bipartisan because you know what happens? You put the fox in the hen house. You want

to keep people honest and you want to keep people accountable, the only way to do it is when people look eye to eye, plain and simple, hence the reason, for example, our Public Accounts Committee down here is not made up of just one side of the House. Of course the Government has to have majority on all committees and everything that goes on in this country. That is the reason they are the Government. However, how do you increase accountability and integrity within the systems? The PPM has talked about it. One year has gone and we have waited. We have not been the Opposition that they were to us, and I have not seen any tangible changes to the system, none, Madam Speaker. So to be able to say—because that infers to the public that all you need to do is change the players. That, Madam Speaker, is not true. That is simply not true. We need to make fundamental change if we are going to achieve the Cayman dream and the dream that we have as legislators.

Madam Speaker, in summary, when we look at the new Budget, as far as we can see there are fundamental promises broken at the very core. We see a new tax package that does not seem to be supported as was the stated policy of the Government with new services. We see, Madam Speaker, some tax revenues that are being proposed that we believe are going to be to the long-term detriment of the Islands. Madam Speaker, we see nothing creative. There is nothing new for this country to acclimate towards and say, *'Yes, we are getting a better and stronger system of governance. Our legislators are going to be able to represent us better.'*

Madam Speaker, there are small things that we can do, some of them are going to take up more of our time but that is why we are elected. Our time is the people's time.

So, Madam Speaker, with those brief comments—

[Laughter]

Mr. Rolston M. Anglin: We in the Opposition are saddened to inform the Government that unless they have a change of heart on some of these items when it comes to Finance Committee, we will not be in a position to support the Budget.

Thank you.

The Speaker: 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, Madam Speaker.

Madam Speaker, it is with humility and respect that I rise to address this Honourable House. As the Second Elected Member for the Sister Islands of Cayman Brac and Little Cayman, I am ever mindful of

the fact that I am here to represent the people of all three of our beautiful Islands we call home. I am also aware, Madam Speaker, that I have a special responsibility to my district, Cayman Brac and Little Cayman.

In light of these responsibilities, I will begin my contribution with two issues I feel are of national importance. Two issues that directly influence the cost of living in our country and then I will proceed to the 2006/7 Budget items that reflect on my district.

However, with your indulgence, Madam Speaker, I would first like to congratulate His Excellency the Governor on his first Throne Speech, the Honourable Financial Secretary on the 2006/7 Budget and the Leader of Government Business, the Hon. D. Kurt Tibbetts, on his "Keys to our Future" contribution.

Madam Speaker, if I were to choose a title for my contribution today it would be "Investing in our Future and at the Same Time Investing in Ourselves". It is our responsibility as leaders of this country to understand and address the strategic issues that affect our communities, and I know that each Member of this Honourable House takes this same responsibility very seriously.

Madam Speaker, we must listen closely to our people. To understand the issues they face, we must create policies and infrastructure to allow all Caymanians to enjoy the fruits of their labour and the freedoms provided by our democracy. Madam Speaker, our country has a heritage of hope, a spirit of entrepreneurship.

We have traditionally had a system that allows all Caymanians the opportunity to build financial security for themselves and their families. We have had an economy that basically gives each generation the opportunity to improve their quality of life through education and hard work; this brought economic and social stability to the Cayman Islands. However, Madam Speaker, outside forces are beginning to threaten our land of opportunity that has historically rewarded those who worked hard for an honest living.

These outside forces stimulate the rising cost of living, the rising cost of fuel and its impact on the cost of electricity and all imported goods, the increasing threat of severe weather and other natural disasters that impact the cost of housing and insurance. These forces ultimately increase the cost of living on our Islands, and I again believe that every Member in this Honourable House, as they travel through their communities hear that from their constituents.

Very simply, Madam Speaker, living on an island has become much more expensive in the last few years. Our dreams are the same as those who live in other developed countries. We dream of owning our own home and providing for the next generation. This dream became reality for many in the past, but as the cost of housing, insurance and utilities increase, this dream becomes less of a reality for Caymanians today.

Madam Speaker, we face challenging times as a country because of the rising cost of living. This

problem makes it particularly difficult for families in our community with an income of \$25,000 to \$30,000 per year. It is impossible to get ahead if everything you make is spent on daily living expenses. The opportunity to save and invest for the future simply disappears.

Madam Speaker, I submit that we acknowledge we have changing times and we rethink our policies to protect our people and provide them the opportunities to improve their quality of life and to keep our social balance in check in our country. We cannot change outside forces, Madam Speaker, but we can adjust our policies and actions to adapt those forces and minimise their negative impact. In some cases, Madam Speaker, we can use those outside forces as a catalyst to advance our country's resilience.

At the heart of this cost-of-living issue is the cost of money in this country and our dependence on oil. These are the two strategic issues, Madam Speaker, which I believe we must address, each Member of this Honourable House in their own way and together as one.

[Inaudible interjections]

Mr. Moses I. Kirkconnell: We must use all our resources and be innovative in our thinking in order to provide viable solutions for struggling Caymanians. Madam Speaker, let me first address the cost of money and let us explore a real example.

Last week at my office in Cayman Brac a young lady came in and began to talk about her home that she has a mortgage on and with the rising cost of her mortgage her payment had escalated and her cost of living had increased. We discussed many different ways that she could find a solution to providing for her children. When she left, I said to myself we have to do better. We have to understand this problem and do better.

I take a real example of what it costs for a single parent to provide a home for their children. If they make \$500 per week and qualify for a 30-year mortgage of \$90,000, their monthly payment from a local bank at the current rate (10.5 per cent) would be approximately \$823 per month. However, Madam Speaker, if loans were available to Caymanians at 6 per cent interest, the monthly payment would only be \$540 per month. This is a savings of \$283 per month, or approximately \$3,400 per year. Madam Speaker, this gives each homeowner that falls in a category of making \$30,000 a year or less over 10 per cent more to spend . . . Well, it is not disposable income, it is a decrease in the cost of housing. When this is figured into a family's budget, the cost of housing is somewhere between 35 and 50 per cent of their cost of living. So if we provide those numbers and look at it, it would be a real 5 per cent reduction in their cost of living. I want to repeat that, Madam Speaker.

I offer to this House today for the people of the Cayman Islands that make less than \$30,000 a

year a way to cut their cost of living by 5 per cent with one single initiative. So, Madam Speaker, by providing low interest loans to Caymanian families earning less than \$30,000, we have lowered the cost of living in this country by 5 per cent for those people. We have given them 5 per cent more disposable income that they can use to invest in their future and provide for their families. We have provided them funds to help offset the increases in insurance, electricity and the cost of goods that are caused by the outside forces mentioned previously.

The remedy seems very simple, Madam Speaker, but the important question is: where does this lower cost money come from? This, Madam Speaker, is why I believe the people of these Islands elected us in this Honourable House. I believe we were elected because the people were confident that we could think outside of the box; that we could discover ways to protect our country's heritage, provide our people with opportunities and improve their quality of life. Right now, Madam Speaker, we have the opportunity to do this. We have the opportunity to invest in our future.

The Speaker: Honourable Member, if you are going on to another point, I have been asked if we would take the lunch hour at ten minutes to one. Is it convenient at this time?

Mr. Moses I. Kirkconnell: Could I just finish this topic?

The Speaker: Of course.

Mr. Moses I. Kirkconnell: Madam Speaker, every worker in the Cayman Islands today participates by law in a pension fund. The fund provides financial security for the worker in their retirement years. These funds combined could total around \$500 million and they continue to grow. These pension funds belong to the people of this country.

Madam Speaker, most of these funds are invested abroad. While this practice brings a level of security to the fund, it also deprives the owners, the people of these Islands, the opportunity to reap the benefits the fund could provide here at home—the solid, financial practice to diversify one's investments so that you minimise the impact of possible losses. However, Madam Speaker, I believe our country can be more innovative and prudent in the distribution of our pension funds without risking the financial security of that fund.

Madam Speaker, we are currently sending most of our funds offshore and in turn are helping to develop someone else's country, helping to provide benefits for their people of their dream of owning things at a lower interest rate, as in the United States where the interest is a fixed-term 6 per cent for 30 years. I believe we should allocate at least 10 per cent, or approximately \$50 million of our own pension

funds to be invested on our own shores and in our own people. These funds can be used to develop our country and give Caymanians access to loans at a lower interest rate.

What makes this idea so interesting, Madam Speaker, is that we already have the tools in place to make this possible. We have just not utilised these tools or thought outside the box and taken advantage of what we have and used it in the best interest.

The tool I speak about, Madam Speaker, is the Development Bank of the Cayman Islands, which was founded with the mission to mobilise and provide financing for the promotion and expansion of the economic development of the Cayman Islands. They are well positioned and capable of managing a portfolio of fund assets. However, Madam Speaker, it must be mandated that when these assets are placed there and the return is 4 per cent that the spread is 2 per cent and that is what the funds are lent at, or 2 per cent above what they lock in at.

It is unfortunate that some of these funds that are here in our Islands now place \$18 million to \$20 million in our commercial banks. The commercial banks take our money and charge a 6 per cent spread and pay you 4 per cent on a CD and lend it back to you at 10 per cent.

[Inaudible interjection]

Mr. Moses I. Kirkconnell: We have the opportunity to create low-cost money for a segment of our economy that needs upward mobility. We have an opportunity to provide funding at the right interest rate to the Affordable Housing Programme, affordable mortgages for Caymanians earning less than \$30,000, affordable loans to small business owners and Caymanian entrepreneurs.

So you see, Madam Speaker, we already have the tools in place. We have to give them a chance. We have to work with them and push them in that direction with that vision. I believe, Madam Speaker, it is long overdue for us to stop building someone else's country with our money and it is time to keep our money at home and take care of our own people.

Madam Speaker, this is a very simple proposal. Caymanians are struggling with the rising cost of living. To lower the cost of owning a home and doing business, we need to provide loans at lower interest rates. We need to take control of a portion of our savings and keep some of it here to invest in our own people and their future. By doing this, Madam Speaker, we can lower the cost of living for every Caymanian making under \$30,000 a year by 5 per cent. This programme, along with the waiver and reduction of stamp duty introduced by this Government for Caymanians, goes a long way to giving the Caymanians that need it, upward mobility.

The Speaker: Proceedings will be suspended until 2.15 pm.

Proceedings suspended at 12.59 pm

Proceedings resumed at 2.18 pm

The Speaker: Please be seated. Proceedings are resumed.

The Second Elected Member for the district of Cayman Brac and Little Cayman continuing his debate.

Mr. Moses I. Kirkconnell: Thank you, Madam Speaker.

Madam Speaker, let us move on to the second strategic issue, that of our dependence on oil as a country. We all ultimately pay for the rising cost of a barrel of oil on the world market. This is especially true in the Cayman Islands because we are totally dependent on oil to power our automobiles, boats, generators and other machinery. Madam Speaker, I submit to you that we must explore a real way, a real example of how this affects our cost of living.

Due to the global increase in the cost of oil, all transportation including air, shipping, even truckage from our port has increased. Nearly every product a family purchases has to be imported. This means, Madam Speaker, that the cost of transportation to our Island is added to the price of every product. As the cost of transportation increases, that cost indirectly is passed to the consumer because the price of goods also increases. While the increase in the cost of goods is indirectly affected by the increase in the price of oil, the cost of gas at the pump is directly affected by the cost of oil. We have all experienced that cost.

Madam Speaker, every time we go to a gas station for gasoline we feel the pinch of the upward surge in the global market. Madam Speaker, the Cayman Islands' utility companies all use fuel to power their generators, therefore they too pass on to the consumer the additional fuel charge to offset the additional cost they are being charged by the oil companies. This means, Madam Speaker, the cost of electricity increases every time the cost of oil increases.

As you can see, at the end of the day we all share the high price of increased cost of oil. The unfortunate truth is that oil is currently the only energy source used in the Cayman Islands. Now this all has been said before, Madam Speaker, by me and many others, but we need to understand and then ask ourselves two very simple questions: How do we get the cost of oil down? How do we decrease our dependence on oil? I would like to address the question of the cost of oil first, Madam Speaker.

As I said before on the floor of this Honourable House, we gratefully acknowledge the investment the oil companies have made in the Cayman Islands and the support they give our communities.

However, as a government we are responsible to our constituents to protect their interests and ensure they are being treated fairly.

On a daily basis, as my constituents ask me about the cost of oil and where will the price of oil go and how does the Government look at it and what do we think about it, I honestly do not have an answer because I do not understand how the oil companies price their products in the Cayman Islands. Madam Speaker, for all other essential services and utilities they are regulated, the regulatory bodies. However, since the pricing model for fuel is not regulated, it is not readily available for us to understand.

I would like to invite the oil companies to share with us how they arrive at the cost of gasoline delivered to the Cayman Islands. Once we understand the costs that are associated with the pricing model, Madam Speaker, we will be in a better position to work with them to find a way to lower the costs to understand how we work together to benefit our communities. We do not ask this in a hostile way, Madam Speaker, we are asking for the opportunity to sit down and work through issues that face us. Let us understand the difference.

An example is: Is it an issue of low volumes? If that is so, is there something we as a country can do to build larger storage? What options do we have to work together to lower the price in a way how the purchasing is actually done, Madam Speaker?

Madam Speaker, large consumers of oil commonly purchase based on a standard known as "Platts". The Platts Index (or the average price at the platform) is a very helpful index because you can compare your pricing to that available elsewhere in the world. We need to understand if we can purchase at a standardised Platts-based rate and consolidate the purchasing, maybe a consolidation between ourselves and other regional islands, maybe the purchase of oil from a different supplier. All of these must be explored to see if we can, in some way, control or help control the price of oil to the consumer.

A simple example would be: the base cost of oil is a Platts price at a platform as it comes out of the ground. You add the cost for refining the fuel on top of that and then you add the transportation or distribution cost. When you put those together, that price plus the profit would be what you would pay at the gas pump. The cost that we all know, what we pay, we are just asking and wanting a simple question answered: Is the profit that is being charged a fair profit to the people of this country? If it is, we understand that as a people. However, if it is not, we need to understand how we can do something about it.

Madam Speaker, following this line of understanding our basic costs, which means and contributes so much to the upward movement of our cost of living, is a basic understanding of how we invest in our future and it is something that I believe we must do and must understand. All efforts to make us less dependent on a single energy source such as oil reduce

our vulnerability. With all of our eggs in one basket, our economic and, indirectly, our social stability will be endangered due to sharp increases in the cost of oil and therefore the cost of living.

I am pleased, Madam Speaker, to see our biggest users of oil (the two power companies) proactively investigating alternative sources of energy. I read in the paper this morning where Caribbean Utilities Co Ltd (CUC) is looking at thermal sea energy and also wind power. We are also starting to see a few hybrid electric cars on the roads of the Cayman Islands. These cars look and they perform much like regular vehicles, but, Madam Speaker, in addition to using regular gasoline they can also be plugged into a 120-volt outlet each night and be recharged for the next day. These cars run on stored energy for a typical day's driving. Depending on the size of the battery they can usually go around 45 miles per charge. I can tell you that in Cayman Brac, Ms. Estella Christian-Ryan has a hybrid which averages 45 miles per gallon with the way she charges it and the way she buys gasoline for it.

Madam Speaker, the combination of using windmills, as an example for diversifying the way we use oil, and to try to control the cost of living paints a powerful picture. Let us pause to explore the image.

You go home at night and you plug your car into an outlet. After that night, in the morning your car is charged to drive that day. However, that night the electricity that you plugged into to charge the car was produced by a windmill or sea energy, so your car the next day is now being powered by wind or sea, not oil. These technologies are available to us and what they do is shape our future. They strategically put us in a situation that we are not as dependent on one source of energy as we are now. So, strategically, if it puts us to where we can use 50 per cent oil and 50 per cent wind or zero per cent sea, we can easily see the model of how, if the price of oil goes to \$90 a barrel (as some people predict in the near future), we will have started protecting ourselves against those drastic increases.

Madam Speaker, this vision and this picture that I have just painted is a part of investing in our future. There is an old Chinese proverb that says if we do not change our course we will end up where we are headed. It is my belief, Madam Speaker, that it is our responsibility to understand where we are headed and adjust our course to compensate for the ever-changing world we live in.

Caymanians are an innovative and hardworking people, Madam Speaker. We will not shy from the challenges I have outlined today, but instead embrace them with a resolve to understand the issues and wisely use our resources in the best interest of our country and of our people. If we use these challenges to make us stronger and more resilient, Madam Speaker, every Member of this House will have served his country well.

Madam Speaker, I now come to the part of my contribution which involves the district of Cayman Brac and Little Cayman. It involves how this Government has embraced that district and how they have looked at what the needs are. The 2005/6 Budget was utilised in a successful way. Through our Public Works Department and by outsourcing some government building contracts to private companies, not only were we able to create jobs for many private-sector tradesmen on Cayman Brac and Little Cayman with that single initiative, Madam Speaker, but we were more resourceful with the use of our budget funds. By utilising private tradesmen, we will complete a much-needed day care centre on the Bluff and construct a medical clinic on to the Aston Ruddy Civic Centre and Hurricane Shelter. These buildings, Madam Speaker, will add approximately 6,000 square feet of shelter at an elevation of 100 feet above sea level for the people of Cayman Brac and Little Cayman for their protection.

Our affordable housing initiative is well underway. I understand from the chairman of that board that they hope to start building homes in the very near future. There has been more money allocated in the 2006/7 Budget for this programme which we look forward to on Cayman Brac and Little Cayman.

Madam Speaker, if I can summarise the 2005/6 Budget for Cayman Brac and Little Cayman, I would like to say the funds were wisely used and I commend the Government team for their hard work and cooperation to make sure all of the funds will be used before the end of that fiscal year to benefit the people of Cayman Brac and Little Cayman. I think you can also see, Madam Speaker, that last year we had some success in diversification of our private sector. The construction industry is moving along with full employment to new developments on the Bluff. Our tourist properties are reporting recovery from Ivan, a strong winter season, and they look forward to the summer season which will soon arrive.

Madam Speaker, I applaud the help and the support the Honourable Minister of Tourism, Mr. Charles E. Clifford, has given Cayman Brac and Little Cayman as we strive to help our tourism industry diversify by taking advantage of our topside attractions such as nature and bird watching, pushing tourism into the streets of Cayman Brac and Little Cayman and moving it away from some of the smaller properties. The same way he has a "Go East" initiative, I would like to brag and say that initiative started on Cayman Brac and Little Cayman first.

[Inaudible interjection]

Mr. Moses I. Kirkconnell: Heading east he says.

The Speaker: We know.

Mr. Moses I. Kirkconnell: They are east. Thank you, Sir.

We must understand how to bring the visitor who wants to protect and enjoy the Caymanian culture in our traditional way of life. This is why, Madam Speaker, we will be working hard to encourage Christian tourism, family tourism, nature tourism and domestic tourism, which, again I add, we are well on our way with.

This Government endeavours to continue balancing our Islands' economy within the tourism and the construction industry, but we fully realise that we must add professional jobs to provide a sustainable economy for Cayman Brac and Little Cayman. We fully realise diversification is needed and we must work hard to provide professional jobs for sustainable development on Cayman Brac and Little Cayman.

Madam Speaker, this Government designed this year's Budget as a foundation that we can continue to build on with vision, a phased approach. It was time we started planning with more focus and a clearer vision of where we want to be in the near and distant future. Madam Speaker, I believe the 2006/7 Budget will take advantage of our successes and build upon our vision for the secure future of Cayman Brac and Little Cayman.

Madam Speaker, with the foundation set by the last budget, I personally look forward to July and the start of the new Budget. Our vision for improving the infrastructure of Little Cayman began with the installation of emergency runway lights which were used shortly after they were installed. This year it includes the new dock at Point of Sand, an improvement of the present air terminal, and we are also very pleased to be working with the Ministry responsible for the Cayman Islands Airport Authority to start the new airport project on Little Cayman in this year's Budget, 2006/7.

Madam Speaker, I want to thank the Minister responsible for Environmental Health, the Hon. V. Arden McLean, for continuing to work with us on the assessment for the solid waste management strategies for Little Cayman. We also thank him for the environmental impact study in this year's Budget. We fully understand for Cayman Brac to advance properly, [appropriate] planning has to be put in place. We look forward, after the environmental impact study is completed, to resuming the development of the Bluff land fill site.

Madam Speaker, Cayman Brac and Little Cayman need these projects completed as soon as possible, but we want them to be carried out in a proper manner. With all pertinent information gathered beforehand, it would be a disaster for Cayman Brac and Little Cayman to act hastily only to discover later that the method we chose in haste harmed our natural environment.

We continue our vision of improving infrastructure by including approximately \$600,000 in the Capital Road Fund for Cayman Brac and Little Cayman, along with an added \$50,000 for farm roads in the next budget. I would like to add that the \$50,000

for the farm roads in this Budget is being used for the Big Channel Farm Road in the Spot Bay Bluff.

The improvement of the Spot Bay Road in Little Cayman has been identified, and if it is not able to be carried out in this budget, it has been identified for the 2006/7 Budget. Additionally, Madam Speaker, this year's funds, along with next year's road budget, will give us the ability to start and hopefully complete two ramps on the eastern Bluff, allowing improved access to the Bluff. The two ramps include the Charlotte's Road and the Ann Tatum Road. These ramps are essential in the development of a major hurricane as they serve to provide access to the Bluff if the North Coast Road overflows and is impassable, particularly the narrow areas such as around the Panama Canal. We will begin with the Charlotte's Bluff Road and embark on the Ann Tatum ramp when Charlotte's is complete.

Madam Speaker, these ramps coordinate very well with the continuation of the sports complex on the Bluff. I would like to stand here today and take total credit for that sports complex but I cannot. I have to give credit to the First Elected Member for Cayman Brac and Little Cayman because she started it years ago, and I believe her vision is very similar to what is taking place there now in the conversations we have had.

The field turf for the multi-purpose field is being purchased out of the budget for 2005/6. Madam Speaker, the 2006/7 Budget provides for the construction of an all-purpose building in the funding which will include public restrooms, changing rooms and a multi-purpose room. The Ministry of Education has allocated \$1 million in this Budget for the continuation of this sports complex. These funds will support completion of a phased complex by, in this Budget, providing the funding to actively pursue a gymnasium and parking and the next phase to be a 25-metre pool.

Madam Speaker, on completion, this sports complex provides a facility that will influence teams to travel to Cayman Brac instead of our teams always having to travel abroad, in order to compete and to train not only locally but regionally and internationally. Cayman Brac could actually compete for bids to host events such as the Shell Cup. I dare say, Madam Speaker, Cayman Brac and Little Cayman are ready to entertain such events as we increase our room stock in the hospitality industry and begin working on our sporting facility.

Let us not forget the social implications of this sports complex for our youth as well, Madam Speaker. With the under-14 victory over George Town, the Brac football team is making the people of the Cayman Islands aware of their model sports programme. The sports programme is developed by Mr. Mitchum Sanford and helped by Ventisha Conolly and Lawrence Nelson, along with the Sports Association for the Sister Islands.

Our sports program has come to life, Madam Speaker, not just because of the dedication of the

coaches, parents and team members, but because the Minister of Sports, the Honourable Alden M. McLaughlin, Jr.; the Leader of Government Business, the Honourable D. Kurt Tibbetts; along with the two representatives from Cayman Brac are committed to helping our young people on Cayman Brac and Little Cayman. The sports budget in 2005/6 was increased by over 500 per cent.

Madam Speaker, the reason is clear that we believe it is wise and prudent to invest in programmes like sports and education in order to prevent future expenditures on law enforcement. We want to provide our youth with every opportunity for a healthy and successful upwardly mobile life.

Madam Speaker, this sports complex rewards our youth for the hard work and their diligence they have shown on substandard facilities over many years, and it finally affords our talented youth the opportunity to compete on a level playing field with other members of the country and the region. Building this sports complex has another benefit though. Madam Speaker, it provides a stimulus for our local tradesmen during the building, and when completed the complex will become a centre for healthy, social interaction between young and old alike. The youth will learn discipline and team work. Their parents and other community members will come to encourage and support them, I feel safe to say, almost on a daily basis as they now come out to watch the practices. I am most happy and proud of this challenging project, Madam Speaker, this Government has undertaken to complete at long last for the youth of Cayman Brac and Little Cayman.

Madam Speaker, my contribution would simply not be complete if I did not pay tribute to our national treasures—that is, the children and the young adults of Cayman Brac and Little Cayman. I make no apologies for the unabashed pride and admiration I feel when I speak of these outstanding young people who have made us so very proud this year. So often, and sadly, Madam Speaker, we read the headlines of the newspaper and the court reports, and we learn of another young person who has fallen by the way or fallen through the cracks and, consequently, exhibits anti-social behaviour, hostility and disregard for the laws of our society. Very often in the shadow of this, we fail to focus and pay enough attention to those young people who excel and distinguish themselves above the crowd.

Madam Speaker, such are the young people of the Cayman Brac High School debate team. I will call them by name because they deserve to have their distinction recorded in the pages of the *Hansards* of this Honourable House. They are the winning "B Team" led by Miss Staci Scott: Miss Melody Martin, Mr. Geoffrey Grizzel, and the reserve, Mr. Arthur Is-sacs. The Members of the "A Team" led by Miss Ni-keeta Seeram: Miss Elizabeth Scott, Nicholas DaCosta, and reserve, Brendan Wahler.

Madam Speaker, these young intellectuals deserve all of our praise and support. Not only did they debate brilliantly against such formidable opponents as the John Gray High School and bring home the trophy, but they were able to convincingly bring across a message so fiercely shared by the people of Cayman Brac and Little Cayman and that is “No” to independence.

Madam Speaker, I also would like to mention that they participated very ably in the CPA Youth Parliament—Kamaal, Nikky—and gave a good account for themselves in this Honourable House and I am proud to mention them.

Another group of commendable young people are the Rotary sponsored Junior Achievement Company. The president of this is Miss Staci Scott, who is joined by Demi McLean; Melody Martin; Melissa Scott; Nicholas DaCosta; Nikki Barnes; Leroy Brown; Dannie Conolly; Devonina Conolly; Shanira Edwards; Geoffrey Grizzel; Cordel Gutierrez; Arthur Issacs; Nicholas Juman; Tashara Lewis; Tasha McFarlane; Brittany McLaughlin; Mark McLaughlin; Amadello Mena; Franceska Scott; Julianne Scott; Kristi Scott; Samantha Scott; Suzanne Scott; Kenya Simmons; and Tishel Watler.

You might well say, Madam Speaker, that junior achievers the world over by definition are the brightest and the best.

Let me also mention at the CPA Youth Parliament, Ms. Heidi Knowlton was a member of that team as well. Certainly, Grand Cayman can boast about its own successes, but in a tight-knit, small community such as the Brac the success and achievement of the young people is even more outstanding and special. It is shared by parents and family and all members of the community. These young people clearly represent the future of the Sister Islands, Cayman Brac and Little Cayman, and all that have seen them work are well aware of how bright the future really is, knowing that they will be the leaders in a short time.

Finally, Madam Speaker, but by no means least, are those participants in the recent National Children’s Festival of the Arts who delighted and entertained us with their talents of music, prose, drama and literacy; with eight gold, 11 silver and seven bronze medals, the performance and hard work of these children and young people are noteworthy and outstanding.

Madam Speaker, I have already spoken about the under-14 football team. I would like to speak about them a lot with that victory over George Town so my colleagues hear it a few times.

[Laughter and inaudible comment]

Mr. Moses I. Kirkconnell: I do not think so, not Bodden Town. I need not mention them again, but we are equally proud of these young men standing tall to their peers in Grand Cayman, and I must mention that they have played all their games by travel. They come on a jet at 6:30 in the morning from Cayman Brac, over-

night in Grand Cayman, play two games and then go home on a Sunday night. So in sports you always look for the advantage of having a home field, but these young men have stood tall playing all away games. However, that will be remedied soon.

Madam Speaker, in these ever-changing times, we must do all we can to ensure that our young people are given the necessary tools, educationally and socially, to equip them for the challenges they will face at home and in the global community. This Government has shown its commitment to do just that, and we as individuals must continue to play our part as volunteers, mentors and role models.

Thank you, Madam Speaker, for allowing me to mention those names and for giving me that latitude. I think it is important that they be shown that by their commitment and hard work rewards come and they become role models for other young people in the community.

Now, let me return to the Budget, Madam Speaker. The commitment to exploring ways to expand the Government Administration Building of Cayman Brac demonstrates the dedication that this Government has to creating more professional and office jobs in the community, clearly understanding that we must provide more back-office jobs, clerical jobs and professional jobs on Cayman Brac and Little Cayman for individuals, and help diversify our economy for a sustainable future. This project will help to provide a sustainable economy by affording the diversification we have mentioned.

Madam Speaker, we must as a government, be sensitive and continue to facilitate the development of the financial services and back-office jobs so that Cayman Brac and Little Cayman can take advantage of us being the fifth largest financial centre in the world and understand how job creation in the Sister Islands can benefit from us being so close to Grand Cayman. It is a challenge but I believe we will find ways to meet that challenge.

The 2006/7 budget provides for a new hall at the high school, which is greatly needed and eagerly anticipated. Madam Speaker, let me also mention we have to address the previous lack of maintenance for our schools in Cayman Brac and Little Cayman. The Creek school has needed a new roof for the last four years, but it has not been replaced.

Madam Speaker, between the Education Department in Grand Cayman and District Administration, we must find a better way to coordinate essential school maintenance on Cayman Brac and Little Cayman. I propose this be managed locally by District Administration, with a view to outsourcing the long, overdue repairs to private sector. This would accomplish two things, Madam Speaker: It would provide a full-time job for a contracts manager as we continue to outsource work to the private sector in Cayman Brac and Little Cayman, and a government to facilitate the private sector and not compete with it as we bring them and let them be more involved in programs that

are much needed. This policy creates a strong partnership between the Government and the private sector.

Madam Speaker, let me acknowledge the diligent work of the Honourable Anthony S. Eden to provide our veterans and seamen with an increase in their benefit from \$450 to \$500 as is in this new Budget.

Furthermore, Cayman Brac has finally acquired a dialysis unit and a specialty nurse to facilitate the dialysis unit for enhanced care of our community. The Sister Islands Health Service, under Mr. Tony's steady hand, has become more stable and shown sound improvement. This budget shows an increase in the funds available to them. We thank him for that.

The clinic in Little Cayman and Faith Hospital are positioned to continue offering their high standard of care to our community because of the support from Mr. Eden and his team. On a personal note, Madam Speaker, I would like to thank the team of fine professionals at Faith Hospital for the exceptional care and compassion they have given my father over the last six months. My family is most grateful.

I must, at this point, recognize the Government's quick action, Madam Speaker, and prudent thinking when they supported a proposal by the board of Cayman Airways Ltd to purchase, instead of lease, two twin otters. The twin otter is the most practical and economical plane to service Little Cayman until the new airport is built there. Madam Speaker, this is the plane that Cayman Airways Ltd expressed must fly every day to connect these three Islands. The Government will be building equity in these planes while they service the present needs of our Islands and the people and the plan for the future needs as they work to build economies of Cayman Brac and Little Cayman.

The express service needs to add more flights. We hear that representation, we fly those planes and we understand that. We will continue to push management of express Cayman Airways Ltd to add flights to facilitate the easy movement of people and goods between these Islands.

Madam Speaker, the Children and Family Service Department for Cayman Brac and Little Cayman have a dedicated staff and managers, but my opinion is that we need more help and faster decision-making. Decision-making should fall to Cayman Brac and the site managers, caseworkers in charge of our Social Service department and facilities. It is not fair to the people of Cayman Brac and Little Cayman to think someone 90 miles away can understand the needs and challenges of all of our social cases. I believe that one must be on our Island to understand fully the needs of our community and I feel sure that Government will discuss this matter at some length. I also feel sure we will discuss this matter in Finance Committee. I look forward to working to sort this problem out and to better utilise this department on Cayman Brac and Little Cayman.

Let me not fail to mention, Madam Speaker, that we are happy to be able to announce to this Honourable House that Mr. and Mrs. Linton Tibbetts have offered to fund the addition of a new wing to the Kirkconnell Community Care Centre. This new wing will create approximately ten new jobs. It will add 16 new beds to the facility. We not only appreciate Mr. and Mrs. Tibbetts' generosity, but we acknowledge their hands-on support and interest in this Island when we remember that Linton Tibbetts is a Bracker and we look forward to working with him to complete this project as quickly as possible which benefits the elderly of the Cayman Brac and Little Cayman.

In summary, Madam Speaker, the 2006/7 Budget for Cayman Brac and Little Cayman, under the able direction of the Leader of Government Business, is a good and fair Budget. The recurrent spending of this Budget continues to provide work for every Public Works employee on Cayman Brac and Little Cayman and the recurrent provides security for every Government employee on Cayman Brac and Little Cayman.

Madam Speaker, it provides capital projects for road work on both Little Cayman and Cayman Brac. It provides funding for new buildings which supply construction jobs for plumbers, electricians, masons, labourers and contractors. Madam Speaker, when buildings are completed they become part of our infrastructure which provides space for improved and additional government services.

This Budget also shows a balance between our projects and our community, Madam Speaker, such as a sports complex benefitting the youth, the daycare benefitting the young, the new clinic and the increased veterans and seamen benefit, the increased budget for Faith Hospital assisting the health of all the citizens and, lastly, the improved infrastructure and services benefitting the general public. This budget also provides professional job creation, diversification with funds for creating a domestic fire service which should create 20 new jobs.

In conclusion, Madam Speaker, I would like to say thank you to the Minister for District Administration, Leader of Government Business, the Honourable D. Kurt Tibbetts. I would also say thank you to the other Ministers, to the Finance Department and everybody who worked and had interaction in this Budget for providing the largest budget Cayman Brac and Little Cayman have ever had. I thank them. They have listened to our proposals, they have supported our vision for Cayman Brac and Little Cayman, and I eagerly look forward to the start of this new Budget in July.

Madam Speaker, I thank you.

READINGS BY THE HONOURABLE SPEAKER OF MESSAGES AND ANNOUNCEMENTS

The Speaker: Before I call on the next speaker, I have been asked by the Chairman of the Public Accounts Committee to inform all Members of the Legislative Assembly that the Auditor General will be doing a presentation to all Members at 4.30 once the House is adjourned.

GOVERNMENT BUSINESS

Continuation of Debate on the Throne Speech and Budget Address

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, and I hope that I can keep my remarks short enough that we do make that 4.30 meeting.

I would like to—

The Speaker: You see if Members did not mind, the Deputy Speaker and the Speaker could interchange while we speak until 4.30 rather than having an afternoon break.

Mr. Osbourne V. Bodden: No objection from me, Madam Speaker.

[Laughter and inaudible comments]

Mr. Osbourne V. Bodden: Madam Speaker, I do not want to steal any of the thunder from the Second Elected Member for Cayman Brac and Little Cayman, but I just want to let him know that his under-14 team and the Brac unfortunately have to play Bodden Town in the finals.

[Laughter]

Mr. Osbourne V. Bodden: The celebration stops there, but we give them a lot of credit. They have done very well.

[Inaudible comments]

Mr. Osbourne V. Bodden: We play it anywhere.

Madam Speaker, it is just a couple of weeks from a year since we, the PPM Government, have been in office and much has been accomplished in this short time. In the period, Madam Speaker, we have faced many hot issues and dealt with them head-on, including immigration matters such as visa requirements for neighbouring countries, term limits for permit holders, escalating serious crimes and a resulting clamp-down by law enforcement. On the tourism side, we have the issue of gay cruise visitors and proposed dolphin parks and all the debate thereon. On the social side, we continue to have seri-

ous issues of housing, traffic, the cost of living and the education of our children.

However, Madam Speaker, we campaigned on the platform as a government you can trust, trust to do the right thing and what is best for these Cayman Islands. This may not always prove to be the most popular road, but at the end of the day I believe, Madam Speaker, that people will look back and say, *'That Government meant well for Cayman'*.

One very important thing before I go any further, Madam Speaker, is that people need to understand that we now have one government, not five as we previously had, no hidden agendas or ego trips but the smooth running machine that works well together and is going in the same direction.

An Hon. Member: Hear, hear!

Mr. Osbourne V. Bodden: Madam Speaker, we have a well written and clear manifesto, so much so that the Opposition all have copies that they regularly refer to. We were elected to run this country on a clear mandate from our people and our plans were laid out on how we hoped to go forward and shape this country. We are now outfitted with a budget that will allow us to proceed as planned.

Madam Speaker, the Government is comprised of persons of honesty and integrity—unlike some of those in the previous administration—persons that believe in following rules and regulations as they are laid down.

Point of Order

Ms. Juliana Y. O'Connor-Connolly: Madam Speaker, on a point of order.

The Speaker: May I hear your point of order, please?

Ms. Juliana Y. O'Connor-Connolly: Madam Speaker, the Honourable Member, I am sure, has his facts to a precise point that he could make such a general conclusion. But so that it would not impute the wrong connotations—certainly to this Member—I would ask that he either state who those Members were or not be so general as I take much personal adversity to such a general statement seeing that I was part of the last government but certainly do not, in any form or fashion, fall within that umbrella.

The Speaker: Honourable Member, if I could remember what you said, you said "as some of those".

Mr. Osbourne V. Bodden: That is correct

The Speaker: And I am not one of those Speakers that we must constantly be "in my opinion", so therefore, Honourable Member, would you now continue your debate steering away from these sort of comments?

Mr. Osbourne V. Boddén: Thank you, Madam Speaker.

As I was saying, Madam Speaker, it is not one set of rules for you and another for me. The rules are the rules and they are there for all of us to adhere to be it on the road, in public places, in business or at home.

Madam Speaker, plain and simple, we have an honest Government, one that can be trusted to do the right thing at all times. This extends even to procedures in this Honourable House where we afford the Opposition all of their rights and privileges unlike previous practices where the Opposition was treated like last year's calves. By that I mean, in case no one understands, that they were ignored at times.

Madam Speaker, we have a Government that I am proud to say is pro-Caymanian while being fair and inclusive to all residents whether they work in Cayman or are visitors to our shores. We are seeking to develop Cayman in a sustainable manner, and by this I mean, developing to meet our current needs without compromising the needs of future generations. Our plans include every one living in these Islands who has a stake in this country, not just taking care of a few to the detriment of the majority.

Now, Madam Speaker, I would like to look a little closer at some of the real issues facing us as we move into a new budget term. Immigration, matters as I have mentioned, continue to be an area of major concern and we are working hard to resolve many of these. The new rollover policy has caused alarm from some quarters that would prefer that it simply vanished, but we cannot and will not do that. There is good reason for such a policy and, in fact, the policy was developed under the previous administration, with the Immigration Review Team developing the whole idea.

Madam Speaker, the country was aware that the rollover policy was coming into effect, and although some would claim that they did not know and they had forgotten because of the hurricane and all the other excuses, we understand that it does have serious implications for many businesses and many industries.

However, Madam Speaker, the Cayman Islands cannot just throw their doors wide open any longer and just expect everyone to come and stay until the point at which they have to get Cayman status. We are a small country and we cannot continue to absorb the numbers as we have been doing in the past.

Madam Speaker, this Government is not being rash about this. We have talked to many people. The Immigration Review Team has spent countless hours under the very able chairmanship of Mr. David Ritch and his committee. They have worked tirelessly. Proposals are currently before Government and there have been a lot of meetings of Cabinet on this matter and they continue to meet. Just recently, the Minister of Education and I were away on a business trip and

we had the opportunity to sit and talk with industry leaders in regards to this policy and let them know the way that we are seeing things and hearing their views.

So we are cognisant of the need for a sensible approach, Madam Speaker, and although people would like to say that we are just ramming this down people's throats and expecting everyone to cope with it, the truth is we do realise the seriousness of the policy and that is why Cabinet has now taken on the role that has been espoused by the Leader.

Madam Speaker, we now have many persons lining up for permanent residence, and in most cases rightly so. They will have to be processed against the set criteria, and some will succeed and others will not, unfortunately. However, the system must and will be fair. We will also have many status applicants that are due consideration, many that were overlooked in the fiasco that took place in 2003/4. These persons, as well, will have to be taken care of as long as they meet the criteria as stipulated.

So, Madam Speaker, this all adds up to much work over the next couple years to sort out and remember that while we are doing this, we are dealing with the lives and futures of individuals and their human rights and all of the obligations that we have in that area.

Madam Speaker, what needs to happen though is that persons integrating into this community, those that we confer status on, must be respectful and caring of the community, and from our own perspective, that is those of us who were here before. We must embrace these individuals and move forward together to make a better Cayman Islands. We cannot have different classes of Caymanians anymore, Madam Speaker. When you become Caymanian you have obviously earned that right, and once you have earned that right, then you should be looked at as a Caymanian.

Madam Speaker, affordable housing is another critical issue facing us at this time. This was an issue before Ivan, but it is much worse now. Rent is at an all-time high and landlords, in a lot of cases, are being unfair and still we have people living in trailers or living in very cramped conditions in relatives' homes or in friends' homes.

Madam Speaker, this is why we have taken the steps to address this urgently. Funds are being allocated to districts once again to alleviate some of the pressing needs in terms of repairs and new homes while concessions are being granted to prospective homeowners, and we have heard the detail of those concessions. The Government-guarantee scheme is being revisited and we are working with the private sector to build affordable housing through the Housing Trust on Government properties. This huge effort will pay off in the next couple of years and we will see persons enjoying the comforts of newly repaired or built homes and enjoying a higher quality of life in general.

All of us need to be responsible. That is, when I say all of us, the members of the public need to be responsible in whatever arrangements that they find themselves in when it comes to new home ownership and live up to those obligations that they have. Otherwise, the system will fail. We need people to be responsible, Madam Speaker. Government can do so much, but it is the responsibility of each person for their own well-being in the long run.

Education was always listed as a priority of this administration, and I am proud that we are tackling this issue head-on. We have a serious lack of infrastructure and overcrowded classrooms and students still on a shift system. Come September, thankfully, from what I have heard, we are hoping that that will certainly fall away. As a result, we have had a serious break down in discipline and academic results over the years. This is a serious problem and one that has been allowed to fester for too long. I am proud to be associated with a government that is building three new high schools, one in the Frank Sound area, one in George Town and one in West Bay and, adding facilities to two primary schools in Grand Cayman as well as enhancing the Cayman Brac High School and recognising, at the same time, the need for vocational studies that will form an integral part of each of these new facilities.

Madam Speaker, vocational studies, vocational training has been given much lip service in the past by many administrations, but now those children who are not naturally academically gifted will have a chance to graduate in their chosen vocation. There will be a whole new product on offer in the classroom and this will be exciting for the teacher and student alike. We have employed the services of Professor Heppell, a well-known leader in his field, to give advice on the development of these schools. A lot of work has been going on and I am proud to say that we are getting close to where these projects will be started.

It is obvious, Madam Speaker, from all that we have seen and heard that we have not been producing the right products in terms of our students and their abilities for the sophisticated market that is the Cayman Islands, and we need to change that. Madam Speaker, we have social breakdown and a lot of it has to do with improper parenting regardless of what system we have. Parents are responsible for their kids and that is the bottom line. Teachers and educators can only do so much, but they need the support of parents in every way. They, the teachers, are not the enemy. I beg and plead to all those parents out there to take a more active role in their children's lives, in their school. Do not leave it all to the helper at home, the Nintendo or the TV to raise your kids and occupy their minds. Question them, support them, guide them and love them and we will have a better Cayman Islands. Government cannot budget for that. Government only has the expense of dealing with them when they go astray and society, on the whole, suffers.

I want, at this time, Madam Speaker, to give credit to all of our Ministers in Cabinet for supporting this initiative of greater learning for our children and, in particular, to praise the Minister of Education for his stance. Though not always popular, I am sure he will be proved right in the long run. I believe he has met with PTA, teachers, students and stakeholders more times in one year than was done in the past eight years. He and his team are following the document that was developed after a conference of over 600 interested persons outlined their wishes. He has a mandate for change and development and he is following it. I know he is tired but I ask him to plod on. His reward will be a good one and remembered for a long time by this society. We have neglected education in favour of other areas in this country for as long as I can remember, Madam Speaker, and I am happy to say that that era is over.

Madam Speaker, this brings me on to the area of policing and fighting crime in our Islands and the substantial resources we have provided for this. We realise as a government that if this was allowed to go unchecked, then all that we are talking about would be meaningless. Peace and security and the tranquility of these Islands are paramount and make us one of the best places in the world to live. This Government has set a zero tolerance when it comes to crime, Madam Speaker, and with the help of a new Commissioner, who I would like to publicly congratulate for his efforts thus far, we are starting to see some of the dividends. The resources are being beefed up and police presence is being felt. In my own district of Bodden Town I know things have improved and I would like to pay tribute to the New Inspector, Inspector Seales, who after only a few months on the job has been doing a good job and getting control of things in the district.

There is always room for improvement, Madam Speaker, but we are starting to see and feel the effects of some of the hard work. I am particularly looking forward to the new Board of Patrol Unit that is being developed and the marine station that is planned. Madam Speaker, this will go a long way to securing our poorest borders and allow us the opportunity to better deal with on-Island issues rather than a constant inflow of guns and drugs. Remember that we import 95 per cent. I would venture to say, of these products and if we can stop that or reduce it to a very small number then these Islands will really be the paradise that we have known it for a long time.

Madam Speaker, I think it was alluded to earlier in a previous debate that we do have human resource issues in the Police Service, but I am sure as the Commissioner gets more entrenched he will uncover a lot of this and deal with it accordingly. Madam Speaker, our Prison Service is also an area of concern as funds have been allocated to make this more efficient and productive. We need, pure and simple, Madam Speaker, to stem the flow of drugs into our prison, and whoever is responsible must be caught

and dealt with. We need to ensure that we are not forming criminals. By this I mean someone going to prison for a trivial offence should not come out as a hardened criminal by being exposed to the wrong elements.

Some funds that have been allocated will go towards a separation of these different classes of prisoners, and I am happy to see that. Madam Speaker, we need to re-educate and re-motivate these individuals to become productive, and we need our society to give them a second chance.

The system should be one of accountability and trust, and when these persons apply for a job they should be in a position where they are bringing something to the Table to say, *'This is what I can do and this is what I have learned during my time of incarceration.'*

Madam Speaker, the Second Elected Member for Cayman Brac and Little Cayman went into great detail on the spiraling cost of living in the Cayman Islands, which brings about much hardship to our people and even those visiting. It is not something, Madam Speaker, I believe that Government has direct control over, although the idea that the Member explored is certainly something worth looking at. However, certainly, it is incumbent upon us as a Government to be as efficient as possible. We can only ask providers of services out there to be considerate and not pass on every little increase that they experience to their customers.

Madam Speaker, the consumers on the other hand, have to be smart and mindful of costs and save where they can. Things such as car pooling, cutting off lights, cutting back on luxuries et cetera, will make a difference. Right now we are coming up on summer when gas prices and electricity rates go through the roof, and therefore, everyone needs to be more conscious of this and a little wiser in how they live their daily lives.

I believe also, Madam Speaker, that employers can, in many cases, do a better job of paying staff. In this day and age, it is unfair to expect persons to live on \$3 and \$4 an hour, unless they are receiving something else, Madam Speaker. These employers should also make sure that they pay their pensions and their insurance and their overtime payments. Basically, be fair and not profit at the expense or detriment of others.

Another—

The Speaker: Honourable Member, is this a convenient time to take the afternoon break?

Mr. Osbourne V. Bodden: Yes, Madam Speaker.

The Speaker: Proceedings will be suspended for 15 minutes.

Proceedings suspended at 3.31 pm

Proceedings resumed at 3.39 pm

The Speaker: Please be seated. Proceedings are resumed. The Third Elected Member for the district of Bodden Town continuing his debate.

Third Elected Member for the district of Bodden Town.

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

Madam Speaker, just before the break I was discussing the whole issue of the cost of living and as the Second Elected Member for Cayman Brac and Little Cayman mentioned, I too am happy to see the initiatives being made by Caribbean Utilities Co Ltd (CUC) in the area of thermal energy. This is something that has been on the table for a while, I think. The company is closely looking at the viability of such a project and the general view is that with the deep water around these Islands and the temperature differences that exist, that this might be quite viable. This was also tried in, I think, Hawaii with limited success, but I think that they are hoping that it will be a lot more successful here. We certainly wish them all the best because this would go a long way to reducing costs.

Madam Speaker, our Budget also makes provisions for improvements in healthcare in these Islands with capital injections in the Health Services Authority and CINICO, and also in our social service programmes. As was mentioned, the benefits to veterans and seamen have been increased, unlike what some people would have liked to believe and were telling the public that we were about to scrap them.

Madam Speaker, the physical health of a nation symbolises what type of society you live in, and this Government is very much interested in a healthy nation. We have had horrendous problems in our health services before taking office and it looks like things are turning around, albeit slowly but they are turning around. Certainly, morale at the hospital is better than before, and hence patient care will naturally benefit. We have also been losing a lot of money in this area for many years and the hemorrhaging we hope is slowing even if not stopping.

Although there are many others, Madam Speaker, the last issue that I would like to look at in terms of national issues is that of traffic congestion. We are in the process of designing a national traffic plan, and it is unfortunate, Madam Speaker, that this country will now be embarking on its second such plan because the other one was scrapped for really no good reason. Be that as it may, Madam Speaker, this Government realises that this is of importance and essential to the proper management of traffic. In the meantime, Madam Speaker, we are forced to build roads as fast as we can to alleviate some of the serious pressures on the western and eastern ends of the Island.

Although the Leader of the Opposition, knowing how he himself would have operated, has said that

we are building the West Bay Road for our supporters—and I guess he will not be using it as a result—we all know that a need for a second road into West Bay is very real. We have persons living in that district crying out for relief and yet their representative is against what we are trying to do to help his constituents. Unbelievable, Madam Speaker. We also have tourists that are complaining daily and business visitors that suffer as well.

I am pleased that as soon as we are finished in West Bay, we are heading to my district of Bodden Town to start the arterial route from Newlands to Prospect. This will bring tremendous relief to all who live in the east and we look forward to that starting as soon as possible.

There is one word of warning that I would like to issue to all listening, however, including my colleagues in Government, and that is that you cannot build yourself out of congestion forever. If we do not, at the same time, do something about the number of vehicles entering these Islands and the way our people travel—one car one person is the general rule—then sooner than later we will have to build more roads.

Madam Speaker, there is only so much land in the Cayman Islands. We need to ensure that we develop a reliable and efficient public transport system and control, by some means, the amount of vehicles entering these Islands on an annual basis. We also need to change direction of traffic and not have everyone going into town at the same time. Some should be coming out for services being developed outside of town.

Madam Speaker, I am hoping that, indeed, one of our new office buildings can come somewhere a little closer to the east end of the Island so that we certainly would not have all civil servants that are working in that building driving into town. I know, Madam Speaker, that my views on this fit in nicely with our plans to "Go East", an initiative of the Minister of Tourism, as well as other plans that are on the Table. We also need, in my opinion, Madam Speaker, to make more use of the waters that surrounds this Island and look seriously at developing water modes of transport from West Bay to George Town and across North Sound, which will have a direct impact on traffic volumes.

The George Town Barcadere is one area that could be looked at to shuttle tourists into the North Sound without going on to the West Bay Road. Newlands is another good area for passengers to load and offload.

Madam Speaker, with all that I have outlined, which all require funding of one form or the other and which are active initiatives of this Government, we have still managed, with the help of the Financial Secretary and his team, to produce a balanced Budget to the dismay, I believe, of the Opposition.

Madam Speaker, we are showing a healthy operating surplus in excess of \$30 million. Our reve-

nue measures are sensible, well thought out and were developed in a consultative manner, with no undue hardship to our local population. Yes, Madam Speaker, there are significant borrowings, but they all fall well within the guidelines and the principles of the Public Management and Finance Law. If it were not for the lack of action by the previous administration in terms of infrastructural development, we would not have been forced to take on so much at one time.

It was very appropriate that the Financial Secretary labelled his address "A Key to Success: Responsible Financial Management". Many countries would love to boast projected economic growth between 3 and 4 per cent combined with inflation of only 3 per cent and unemployment of less than 4 per cent. We are indeed fortunate as a nation, Madam Speaker, especially following the devastation of Hurricane Ivan and the actions of the UDP Government, that we can still say this. With all this, Madam Speaker, this Government has been busy piloting freedom of information legislation, advancing human rights and addressing the issue of constitutional advancement.

This is a busy Government and a hardworking and honest one. I am sure that the astute public will not be listening to our detractors as our plans unfurl in the coming years and into the next term of office. In celebrating our first year in office, one of the things that we will be doing is going district to district, including Cayman Brac, and having a face-to-face town hall style meeting with our constituents answering questions and disclosing plans as we go. This is a transparent Government; we see the people as an extension of ourselves, not only there to be consulted in an Election year.

Madam Speaker, I would now like to spend the rest of my allotted time on my own district plans and the funds that have been allocated thereto. Bodden Town has been, without doubt, the most neglected district over the past years, government after government, and I always promised that if I got elected I would certainly push to change that. I am happy to report that with my two colleagues in Cabinet and the support of the entire PPM Government, this is set to change. In fact, we may become the capital it was joked recently.

[Inaudible comments and laughter]

Mr. Osbourne V. Bodden: Madam Speaker, I want my Bodden Town listeners, my constituents, to feel the hope and excitement that I feel with the plans that we have for the district and for all of the eastern districts. At this time, I would like to outline some of those plans starting from the western end of the district moving east. One of the overarching things that will be taking place, as I mentioned before, is the whole idea of a "Go East" initiative which is being spearheaded by the Minister of Tourism. He is seeking to develop tourist-related activities in the eastern districts that

locals will benefit from, while at the same time, offering a variety to our visitors.

Madam Speaker, a few weeks ago—I think it was just before the first meeting in Bodden Town that was held on the whole initiative—we did a tour of the eastern districts starting from Bodden Town through East End and North Side. There are many attractions that currently exist that we are not doing the best job in the world at promoting, so it is not as if we are starting from scratch, Madam Speaker. There is a lot on offer in these districts with much local involvement at this time. When the team that travelled that day took note of this, along with the Department of Tourism, it was clear that we can already start to offer good service in the eastern districts if these attractions are properly run, maintained and promoted.

Madam Speaker, these include, but are not limited to, Pedro Castle which is under renovation, the Pirate Caves in Bodden Town and the whole project that is being developed there. The other attractions that are in the, as it were, historic area of Bodden Town, are the Mission House, which is being worked on, being rebuilt, and the Slave Wall and all that other stuff that are natural attractions in Bodden Town, the Guard House Hill and so on.

In East End we have great businesses that are working there to promote attractions, water activities and there are local crafts. In North Side we have caves that are not even being used at the moment, I think, for this type of attraction that is available that could be developed. Just the natural beauty: fauna, the Queen Elizabeth II Botanic Park and all the other stuff that is included in that area. There is so much already there that can attract people, but, Madam Speaker, we want to see a lot more of the businesses, such as the bed and breakfast-type activities, where tourists can come and spend time and interact with the locals.

The locals will feel the importance of tourism in their district. They will provide small services for these tourists, be it domestic services or maybe something as simple as renting bicycles, renting watercraft, that type of thing, developing crafts.

Government is cognisant that a lot of people who would like to probably do this stuff may not necessarily have the financing or the ability to, and therefore, the Investment Bureau, along with the Development Bank, is being used to allow people to have a chance to discuss with these entities how they best go about running the small business and getting the financing to do so. Government knows that we may have to take the lead in this because, to get it really up and running, it is going to need, basically, a push start but we are prepared to do this, Madam Speaker. I think it has been postponed but the final forum was due to be held in East End on 13th. I think that date is going to be revised.

Madam Speaker, I encourage those who have not been—and this is for all three districts—to one of these forums to please come out and hear what the

Minister for the Department of Tourism and the Development Bank and Investment Bureau, and all the other stakeholders, have to say concerning the ability to develop business opportunities in the eastern districts.

Madam Speaker, I mentioned Pedro Castle in Bodden Town, and as I said, this is being redeveloped and will feature crafts, entertainment, food, and be a great venue for all types of socials. I have mentioned also earlier the new arterial road which will be built, and this will enhance transport to and from the eastern districts.

A new post office is going to be built in Savannah and the gully problem, as we know it, the flooding in that area, is being worked on as I speak. Consultants are on-Island, looking with a view to avoiding future flooding and damage to properties in the area. I know this is near and dear to many individuals, and we certainly do not want to have a repeat of what took place last year. God forbid that we have any such flooding before we get it fixed, but I am sure a solution will be found to remedy the situation that has been there and been talked about for a very long time with nothing done.

Madam Speaker, moving east into the Lower Valley area, conceptual plans are in place for an Agritourism project which will be developed on the site of the current agricultural grounds, or the Stacy Watler Pavilion site. Madam Speaker, this project is being spearheaded by falling under the Ministry of the Leader of Government Business, and I am proud to say that after the presentation that we recently received on this project, it is clear that this can be something that Bodden Town, and indeed, the entire Island, will be proud to have.

As we know, we no longer have the original Farmer's Market, and this site will include, as well as a farmer's market, the growing of produce and facilities where craftsmen and women can sell their wares. It will include food stalls; ponds for aquaculture and also attractions for young people and a host of activities. Madam Speaker, this project is also being considered by the St. Matthew's University School of Medicine as a possible area for them to have a veterinary school—in fact, I think they are looking at a couple of buildings on the site—that would allow them to deal with all of their veterinary medicine there, as well as provide an attraction on site.

Madam Speaker, we are hoping that in conjunction with the Department of Tourism this project can become one where not only locals will be able to go and buy produce and socialise and have entertainment, but we are also hoping that this project will be one that visitors to the Island will be happy to come to see what these Islands have to offer in the form of agriculture and all of its local culture.

Property is being looked at with a view to procuring additional property, and we are hoping that work will be started in the very near future on this project. Madam Speaker, this will certainly be an attrac-

tion for the Bodden Town area and, like I said, it will provide a wonderful attraction for the Cayman Islands.

In the Pedro area, Madam Speaker, we are looking at building a new emergency centre for the eastern districts that will include a police and fire station. As we know, we have heard about the possibility of a fire station in the Bodden Town district for a long time. It was in budget, out budget, in budget and now, Madam Speaker, it is in the budget and in the budget to stay because this project is going to be started again in the coming year.

Madam Speaker, as we all know there is a real need for a fire station in the Bodden Town area; it is the fastest growing district. The time it takes the service to get from either Frank Sound or George Town at the moment, sometimes it is just too long. Therefore, having this type of service as well as the location that it is going on to be on, high dry ground, Madam Speaker, will allow us to function in the event of emergencies and hurricanes and the like.

Madam Speaker, we are also looking in Bodden Town at building a new civic centre and hurricane shelter which is proposed to be built in the area of the Bodden Town Primary School. We look forward to this modern facility and all of its features which will allow, amongst other things, indoor sports to be played. Madam Speaker, this building will be a state-of-the-art facility which will be built to the highest hurricane standards. As we all know, the old Civic Centre was damaged in Ivan and is about to go under repair. However, that original Civic Centre will no longer be used as our main hurricane shelter. It is hoped that will be rebuilt up to a Category 3 storm where people can go, but anything over that it would not be used. We all know the problem that we have in that area with flooding, and certainly, we would not want a recurrence of that. Certainly, we do need that facility in terms of a meeting place and a venue for holding displays or whatever else we may need.

So, Madam Speaker, I am reliably informed that the renovations on that project are about to start, and we are hoping that by the end of summer it will be complete and we will have the restored Civic Centre next to the Police Station and Health Clinic in Bodden Town. It will be what we refer to in the business as a class B shelter.

Madam Speaker, we are also looking at purchasing land in the centre of the historic district of Bodden Town—that is what we refer to as central Bodden Town—next to the Coe-Wood Public Beach that will give us the opportunity to have a nice area for a beach park and a boat-launch area. This is something that Bodden Town has been crying out for, for a long time. The fishermen in the area either have to go to Newlands or Frank Sound to launch a boat, and it would be nice when they can finally just have their own facility right in the middle of Bodden Town.

Madam Speaker, this government property will also allow visitors, and locals alike, to have somewhere nice to hang out and socialise, and hope-

fully would also allow the ability of those who wish to sell crafts and those types of entrepreneurial activities. I see it also as an area where we could have water activities and hopefully, in a very organised fashion, certainly an area where, as long as it is cordoned off properly, there are safe areas where individuals can snorkel and swim and so on.

Madam Speaker, we as a Government will continue to support the beautification of the Cumber Avenue area by local residents that have started and encourage others to come on-board with them. Government will also address the issue of serious flooding in this area during heavy rains and work with residents to find a solution.

The senior centre in Bodden Town is due to open this month and this entire area where the centre is located is being redeveloped. The Mission House, which is a National Trust project, is well underway and the structure is now complete; two stories have actually been built. It is being built by a past inhabitant, Mr. 'Boosie' Arch, who actually lived in the home in his youth, and it is being built to the original specifications in exactly the same location as the original home.

Madam Speaker, this will become a popular tourist and local attraction, along with the nearby Dart Park which is due to commence shortly. In fact, the senior home sits almost in the centre of the Dart Park, so that area will have three different attractions, and as I said, it is very important that whole area is beautified and uplifted.

The repair of the Bodden Town playing field, stands and fencing will commence shortly and the new lights that have been installed will be connected. The parking lot will be cleaned and replanted. As I mentioned already, the old civic centre is on that same site and that is being renovated.

We will also be developing a playing field and sport activities in the small community of Breakers for the young persons living in that area. This is something that they have made representation to us on and we feel strongly. As many of these young people do not have any way of getting down to central Bodden Town to participate in the facilities that are there, we feel it is important that the community of Breakers has their own facilities.

I am going to personally appeal to the people in Bodden Town to clean up where they can, their own yards and properties and to take pride in the district. We were knocked down by Ivan but not knocked out, and we have community groups that are active and Government is supporting to get things done. Remember that we, the Government, cannot do everything. The community must rally and work with us and the resources that we can provide. Government has put a lot of funds into rebuilding Bodden Town, that is, rebuilding homes since the hurricane, and more is on the way while speed bumps and street lights and the road repair continue.

Madam Speaker, our MLA office is staffed in the district daily from noon till 7 pm, Monday through

Friday, and Ministers are there on Thursdays from 3 till 7 when their schedules permit. This is the first time, Madam Speaker, I am proud to say, that Bodden Town people have had such an easy access to government in a long time, and they need to let us have their input. They finally have three MLA's going in the same direction.

Madam Speaker, in closing . . .

[Pause and inaudible interjection]

Mr. Osbourne V. Bodden: Madam Speaker, just before I close I would like to say that what we have managed to do in the one year in office is to put together a vision for this country, and we know in that short time that what a lot of people would like to see happen did not happen. It is not easy, Madam Speaker, as a Government to get things done quickly. The wheels of government tend to turn slowly. Also, government operates on a budget, which is what we are now here debating. Therefore, without the proper funds in place, a lot of things that we, as well as the community, would like to have done just cannot be done. However, Madam Speaker, I believe that we now have a budget and it is time for action.

The past year we have been busy planning and trying to find out exactly what the problems were and to focus on the direction that we needed to go in. The Budget we have come up with, with the help of the Financial Secretary and his team, is a very sensible budget. It may not be to everyone's liking—nothing is, Madam Speaker—but we believe that it is possible. We know that what we have outlined here, the stuff that I have talked about, certainly is not something that in one year will materialise. Some of what I have spoken about will take two, three, maybe four years. However, from this point on, Madam Speaker, I believe that the public is going to see the action that they have been crying out for in this country in these districts. Madam Speaker, we have a very committed team.

I would like to touch on the whole idea, as I mentioned earlier, of things moving slowly and that is, sometimes it is frustrating as a Member of Parliament when you know you want to get things done and the wheels are turning slowly. I have to agree with the Second Elected Member for West Bay when he talked about accountability and getting people to account for their actions and what they are responsible for. I think we need to find—going forward in this country whichever administration is here—a way to ensure they do not have agencies or people working that almost reach the point of frustrating your polices.

When you have a policy that you as a Government have been elected on and you want to get your job done, you have a limited time in which to do that work. Those working with you should not be working against you. They must be working with you, Madam Speaker, and therefore, I believe that we have

to hold those responsible as accountable for all of these things.

Madam Speaker, I had a good example to give when it came to the library in Bodden Town. That library, Madam Speaker, was damaged during Hurricane Ivan, and in other districts we have seen the same thing where simple things were needed to be done and you get spun in a circle. You call this one responsible at this stage, you call another one responsible and it is at this stage, and nothing is being done. We the politicians, the Elected Members, get the licks, Madam Speaker. These people that are working with us need to understand that we are the Government and it is our policy, and therefore, they are there to work along with us. That is very important, Madam Speaker. I am not casting any aspersions on anyone, but I am asking for the support of the entire civil service for any government that is in power because, Madam Speaker, a government is only as good as the support it receives.

Madam Speaker, having said that, I would like to bring my contribution to a close and I would like to thank the many good trusting people who put us here in this high office to guide the affairs of this country and who continue to work hand-in-hand with us on boards, on committees and even if it is simply as someone who gives a bit of advice. Madam Speaker, we are here to serve all of the people, not just those who voted for us. We are here to represent these Islands and all of the people within. I would also like to thank our families who support us in so many ways and who tolerate our moods and our absences.

Finally, Madam Speaker, I would like to thank almighty God for his guidance and wisdom and pray for continued health and strength for us all. May God continue to bless these Cayman Islands.

Thank you, Madam Speaker.

ADJOURNMENT

The Speaker: I will entertain a motion for the adjournment of this Honourable House even though it is not 4.30, but I do not think any other Member would want to start debate for just five minutes.

Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you very much, Madam Speaker. I move the adjournment of this Honourable House until tomorrow morning at ten o'clock.

The Speaker: The question is that this Honourable House do now adjourn until 10 am tomorrow. All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. This Honourable House do now stand adjourned until 10 am tomorrow .

At 4.27 pm the House stood adjourned until 10 am Thursday, 4 May 2006.

OFFICIAL HANSARD REPORT
THURSDAY
4 MAY 2006
10.04 AM
Third Sitting

The Speaker: I will ask the Third Elected Member for the district of West Bay to say Prayer.

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.

Proceedings resumed at 10.07 am

The Speaker: Please be seated. Proceedings are resumed.

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

Apologies

The Speaker: I have received apologies for late arrival from the Honourable Leader of the Opposition, apologies for absence from the Third Elected Member

for the district of Bodden Town (from 4th to 9th May) and from the Second Elected Member for the district of West Bay (for today and tomorrow).

**STATEMENTS BY HONOURABLE
MINISTERS/MEMBERS
OF THE CABINET**

The Speaker: I have had no notice of statements by Members or Ministers of the Cabinet.

GOVERNMENT BUSINESS

Debate on the Throne Speech delivered by his Excellency Mr. Stuart D. M. Jack, CVO, Governor of the Cayman Islands, together with the Second Reading Debate on The Appropriation (June 2006 to July 2007) Bill 2006 (The Budget Address), Delivered by the Financial Secretary, the Honourable Third Official Member, on Friday 28 April 2006

(Continuation of debate thereon)

The Speaker: The debate on the Throne Speech and the Budget Address 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—Third Elected Member for the district of West Bay.

Mr. Cline A. Glidden, Jr.: Thank you.

Madam Speaker, I rise to make my brief comments on the 2006/7 Throne Speech and Budget contribution.

Madam Speaker, the Throne Speech, as delivered by his Excellency the Governor on Friday, 28th April 2006, was a very long-anticipated Throne Speech by the general public and also the ensuing Budget seeing that this is really the first Budget of the new Government. Even though there was one before, we all recognise that they did not really have time to get their own policies and plans in place. Now we have the first Budget coming from the newly elected administration after their first, almost 12 months in office. So, personally, I looked forward in great anticipation, to seeing the new Budget and looking at the new plans and proposals that are in place.

I have to say that I was a bit surprised, specifically as we have heard before that the Throne Speech really is one of those things which is broad based, it does not go into great detail, and we get more or less the same thing every year from a Governor stand-

point. I do not think that anyone familiar with the process pays as much attention to that as what they pay to the Policy Statement from the Honourable Leader of Government Business, as well as the Budget document, because that is really where the issues that will affect the general populace come to life.

We can see that the Government has prepared what we would term a “very promising” Budget, as well as Policy Statement. If we are able to achieve all of those things proposed and recognise the revenue that is proposed, I think that we will all be happy because we should be able to make for a better Cayman Islands. Of course, that is where (as the saying goes) *the rubber meets the road*. Right now it is only a plan and a proposal. Whether those things actually come to fruition or not, we will have to wait to see.

However, Madam Speaker, I was a bit surprised when the Second Elected Member for Cayman Brac and Little Cayman (who is acknowledged as a Member of the new Government) made reference to the increased cost of living and also the high cost of money. The reason why that surprised me is that as a Member of the Government, I would have expected that those proposals would have been included in either the Government’s proposals or somewhere in their document. I think we all agree that he made a valid contribution as to some of the ways that we could go about reducing the cost of living. As he rightly said, the cost of living is continuing to increase and people are finding it harder to make a living.

Now, I am not sure how that plays in because, on one hand, he is acknowledging that the Government does have a responsibility and also the ability to its residents to reduce the cost of living, and he is giving proposals as to how that could be accomplished. If it was coming from the opposite side of the House, I guess we could question why it would not be included. However, having been acknowledged, as I said, where the PPM was so proud of having run nine members and getting ten elected, it is a bit confusing to understand why those good proposals were not included in the budget document.

Now, it is not too late and, as the Member said, I think we were all elected to do the right thing; because people had confidence that that is what would happen—they would elect people who had the knowledge and ability to do the right thing. The question only comes to mind as to being a Member of the Government, and having had that knowledge and having that idea, as to why was it not done in this Budget. I would like to believe that giving relief to its residents would be something that is high on the priority list for the People’s Progressive Movement.

Madam Speaker, picking up on what the Member said, things have gotten harder. The cost of living is increasing, and along with that when it gets harder for people to make a living and to make ends meet, then we have increased crime. Madam Speaker, all of those are things that when we get up during the Election, we start making promises and we make commit-

ments, and people electing us expect that we are going to make things better for them. Here again we have a situation where there is an opportunity and there is an idea to make things better. It is coming from within the Government, and for whatever reason, the Government is not inclined. Or, maybe he brought the idea too late, I am not sure exactly why. I do not know what the reasons are, but I am happy to see that there is the possibility and the hope, I guess, of things getting better. So far we have an acknowledgment even from the Government’s side that the cost of living is increasing, things are getting harder for people to make a living and I am sure that cannot be seen as delivering on the expectations of people.

Madam Speaker, the increase in crime that has our residents so concerned, we have seen an acknowledgment of additional money towards policing. But as we have said in the past, throwing money at the problem is not the solution. I remember us having a debate down here as to whether the problem why the Police could not operate a year ago was because they did not have money and the new Government said, *‘Well, we committed all that money.’* I remember us having a debate in Finance Committee, going back and forth as to whether it was really a shortage of money that was causing the problem.

Here we are a year later, Madam Speaker, still having armed robberies in the middle of the day, helicopters hovering all over the place searching and citizens concerned. When I talk to the average resident, serious crime is still a big concern to them; personal safety is still a concern to them. We still have a high amount of burglaries. We still have increased concern amongst our residents about crime. The Commissioner of Police, granted, has not been here for too long a period; and we are hopeful that things will get better because we know that crime affects our residents as well as it affects our tourism product. Once again we are hopeful that like during the campaign, that help is on the way even though—

[Inaudible interjection]

Mr. Cline A. Glidden, Jr.: Well, you see, that is the concern, Madam Speaker. The Members have said it has arrived. But if we have their own Members saying that the cost of living has increased and we have crime that has increased then there really is no hope because if it is here already and we are having those situations then has it really arrived?

[Inaudible interjection]

Mr. Cline A. Glidden, Jr.: I was giving the benefit of the doubt, Madam Speaker, to say hopefully things are going to get better. But I have been told by that side, *‘Do not expect it to get any better, it is already here.’* So what we are getting now is the best we are going to get. So—

[Inaudible interjection]

The Speaker: Honourable Member, do not take your debate into a cross-talk with Members of the Government, please. Can we debate the Budget and the Throne Speech? Thanks.

Mr. Cline A. Glidden, Jr.: Thank you, Madam Speaker.

[Inaudible interjection]

Mr. Cline A. Glidden, Jr.: Madam Speaker, we then move away from the concerns of crime to the concerns of education.

During the campaign there was major criticism as to the previous administration's results—or a lack thereof—on the education system. The administration was heavily criticised as far as what [it was] doing about education and also as to what needed to be done.

I remember specifically when, under the United Democratic Government, the decision was made to [construct] three new high schools. It was criticised to say that that was not the solution and we were not sure that we needed those. Shortly after the new Minister of Education took office he looked over the plans that were there and, in fairness to him, he came forward very quickly and said that yes, they recognised that schools were necessary. I remember actually at the Education conference, the Honourable Leader of Government Business making the commitment at that time and saying yes, that having looked at what was necessary they acknowledged that the schools were necessary and even West Bay would be getting a school.

I took great, I guess acceptance and acknowledgment to the fact that even though there may have been some criticism initially, when the Minister got there and saw the needs and got all the information that was there, you know . . . in the past we have recognised or we have always heard the criticism that every new government that gets in decides to shelve everything the previous administrations were doing and stop good things just because they were someone else's. That to me was an acknowledgment that based on the facts, the new Government had decided that the schools were all necessary and they made a commitment to go forward.

We have heard talk, Madam Speaker, of new schools and it was a recognised need that the education infrastructure was in dire need and so we were happy to hear that. However, so far, Madam Speaker, in the one year since then, when it had been touted how terrible education was and how education was such a priority, we had an education conference and it was a great turnout. We had those ideas that came out of that. But, in that year, Madam Speaker, as important as education is, we have not seen any of the repairs or the fixes that were so urgently needed for

education. What we have seen, Madam Speaker, are continued talk and discussions.

I remember the criticism after the hurricane that the shift system was terrible and should have been addressed a long time ago. Now we are a year later and I heard the Third Elected Member for Bodden Town yesterday say that he is hopeful that by September of this year the shift system will be addressed. Now, that is almost two years. But in the May Election that was a big criticism; when the hurricane happened in September, by May the next year the People's Progressive Movement felt that the children were being neglected because they still had a shift system. Here we are going on two years (because by September it will be almost two years into that administration), and we are hopeful that by that time we will not have the shift system anymore for our students.

Madam Speaker, I mentioned earlier on that this is a promising Budget, but the point that I am making is (as the saying goes) promises are a comfort to a fool. So far what we have seen are many, many promises. Here we are one year later and we are hopeful . . . Well, I cannot even go back down that path, Madam Speaker, because I am told this is what we are getting now, but so far all we have gotten are promises.

[Inaudible interjections]

Mr. Cline A. Glidden, Jr.: Madam Speaker, even though education was a priority and even though it came to the Legislative Assembly, and because there was so much wrong with education, there was this \$19 million in the last Budget that was going to be used to fix the problems because education was such a priority. However, a year later we come back to the Legislative Assembly—because as bad as things may have been, or as bad as things supposedly were with education and as much of a priority as it is—the Government decided that they were going to move the money for the high priority of education and use it on road works.

Now, anybody would have to question: if education was terrible and our children were suffering . . . yes, I live in West Bay, Madam Speaker. And, yes, my constituents want and look forward to the new road. However, when it comes down to it, I am not sure that the Legislative Assembly would have been so quick to give that money up a year ago if they had known that it was going to be used on road works. Yet when it becomes education it is a priority and everybody comes and nobody questions it.

A year later we could not find anything to improve, not even if it was . . . I remember one of the criticisms being temporary classrooms. I am sure our students would have benefitted within that year if we could have at least gotten them off the shift system that was so highly criticised after the hurricane. It is so ironic, Madam Speaker, when the shoe is on the other foot. Five months, from September to May, was a long time for our children to have to suffer under the shift sys-

tem, but now we see that we have moved beyond that and we are now saying that, hopefully in September of this coming year, we will be able to move away from that. Madam Speaker, I am not sure now what to say because as far as promises . . . like I said I themed my debate to say that we are looking forward to better things to come. But since I have been told that what we got is basically what we are going to get, I am having a difficult time moving forward.

Picking up on that aspect of where we are compared to where we were hoping to go, I do have a bit of a question as far as the tourism policy goes, Madam Speaker. I can remember in 2004 hearing significant criticism about the United Democratic Party administration's policy as far as tourism, that they were not following the Strategic Management Policy and, specifically, that policy was concerning tourism, as far as air arrivals versus cruise tourism. It said that (obviously the present Minister of Tourism which would have been the Honourable McKeeva Bush at that time) had decided that mass tourism was the way to go and that the Tourism Management Policy specifically made a prescribed number (I think it was 9,200 passengers per day) as to what was sustainable as far as cruise tourism. However, since the UDP had decided to go into mass tourism they were not following that plan. Of course that was terrible and that was detrimental to the country and to the tourism product.

Madam Speaker, my question (which I am sure somebody will answer) is whether the People's Progressive Movement administration has only criticised the United Democratic Party's policy and whether they plan to change, or whether they have recognised the need to continue following the same plan that was criticised, like what is happening with education so far. I know that scheduling and all the rest of the stuff takes time, but a year later what we see is that we enter talks for berthing facilities. I am sure that if we were looking at 9,200 visitors per day as being the optimum number that was in that discussed management policy between the new Royal Watler Terminal and some improvements to the other terminal, I would imagine that with all the other stuff going on, berthing facilities would not be a priority of the Government because the infrastructure would be there to manage the 9,200.

I can only make the assumption, because there seems to have been talks now that berthing facilities are the way that we are going to go, it would appear that the new administration is now looking at higher numbers than the 9,200 that was in that management report. It would be hard to understand how with the agreement for the Royal Watler Terminal, where the 1 or 2 million cruise passengers a year that are paying for that—that in addition to that the Government—would see it prudent to go into more expensive facilities if they are not looking at being able to accommodate and cater to higher numbers of cruise ship passengers. I am just wondering whether someone would

say whether their policy is also to increase the cruise ship passengers significantly more than what was recommended in the Strategic Management Tourism document that was there.

Madam Speaker, it was also interesting to hear from the Third Elected Member for Bodden Town yesterday as to the very creative and innovative thought process with the movement of traffic. He said that he wanted to tell his colleagues that building roads is not the long-term solution for the traffic congestion on the Island and that we have to look at different modes of transportation. Well, Madam Speaker, that innovative and creative idea sounds very similar to an idea that the United Democratic Party had when we talked about using a ferry service for passenger movement from West Bay to George Town.

Hon. W. McKeeva Bush: Yeah.

Mr. Cline A. Glidden, Jr.: However, once again we see that while it takes a while for them to get there, I guess the good news is that they are good at following. Hopefully we will see the continued use of the good ideas that were bad ideas because they were coming from somebody else, but all of a sudden, those are creative and innovative. The Member made sure to say, *'Yes, we are building new roads, but that is not the solution. We need new ideas of moving people.'* I give him credit, Madam Speaker and I hope he is able to convince his Government (because we were unable to) that that was a good idea, but maybe—

[Inaudible interjection]

Mr. Cline A. Glidden, Jr.: Of course, the West Bay public bought on to that and supported that idea, but the Government of the day—having been elected by the majority of the people—felt that was not a good idea and so now we have it coming back around again. Hopefully, once again, that might be included. Like I have been told before, I was promised that I will find out why the idea from the Second Elected Member for Cayman Brac and Little Cayman was not utilised this time, and maybe I will find out as well why the idea of alternate ways of transport for the people was not used.

Madam Speaker, I have noticed in my district that we are starting to get some of the road works that had been requested, and we want to thank the Minister of Works not only for the work that is [happening] on the main arterial road to West Bay, but also for carrying on the road plans that were discussed during the road visits. The constituents of my district are very happy to know that the road works have been started and there seems to be quite a bit of work that is ongoing.

Madam Speaker, as I said when I started, my remarks would be brief, but I do have one concern that has come out as far as the Policy Statement from

the Government, as far as what was said concerning immigration. Madam Speaker, in the area that was dedicated to immigration, it made mention of the need for some changes that were going to be necessary to the current working of the immigration system, and I think the Leader of Government Business made the point of saying that they recognised that immigration is a critical element of an environment that is conducive to doing business.

I know, Madam Speaker, there have been responses back and forth as to the much discussed fixed-term policy, or rollover policy, that was in place. I think it was my colleague, or the Third Elected Member for Bodden Town, yesterday, that made the point that there was quite a bit of uncertainty because the rollover policy was there and there was some concern. Some people felt that under a new administration it would be removed. The new administration got in, and while they said there were some questions or concerns with it, they acknowledged the need for the continued rollover policy and they made a commitment of continuing that.

While businesses have concerns and there were [many] articles in the press back and forth to the detrimental effect that the policy would have on the economy of the Cayman Islands, we have now gotten to the point where I think the people accept that the Members of the Legislative Assembly, their advisors, the people that are involved, and in general the majority of the people recognise that the rollover policy is one that is necessary, because we cannot continue to have people here for extended periods of time without giving them some security of tenure. So either we are going to have a policy which limits the period that they can stay, or we are going to end up in a situation where we have a significant number of people that are going to expect some security of tenure. Madam Speaker, we recognise that this causes some difficulty and there was a policy in place to give some relief to that which was the policy of exempted persons.

During the previous administration and during the Election, I can remember when the then chairman of the Permanent Residency and Status Board and the Business Planning Board was exempting people, they were exempting specific categories. So they would look and say, *'Well, if we have 500 lawyers and there are only 100 Caymanian lawyers, based on the law school we may get another 50 lawyers in the next five years,'* so they could exempt lawyers. I am just using an example.

An argument was made then, Madam Speaker, that we are exempting people and allowing them to stay on the Island even before they get to the Island, and they were asking, *'How can that be done? How can you exempt people when you do not know what kind of person they are? They are not even here applying for a permit yet. You do not know what they are and what they will be doing when they get here, but you are exempting them.'*

Now, Madam Speaker, we went through Election and we went through one year, and now we hear—and I will quote verbatim from the address by the Honourable D. Kurt Tibbetts, Leader of Government Business, "Keys to our Future: Leadership, Compassion, Prudence and Vision". He says, **"Although we intend to retain the current procedure, the one that allows for individual applications for exemption to be made to the relevant boards, the Government has taken the decision to create a more robust tool to address this concern by creating a new provision that would vest in the Governor in Cabinet the power to designate particular categories of employees in particular industries or sectors to be exempted . . ."** [2006 Official Hansard Report, page 20]

Once again, Madam Speaker, does that great, robust, innovative approach not sound similar to the same approach that was being used by the previous administration, but that was criticised for not being in the best interest of Caymanians?

We have taken one year later to now decide that maybe it is a good idea to exempt certain categories of individuals. So now after we have gone through the confusion, we are now throwing in another bit of confusion where we are going to take the responsibility for doing those exemptions away from a board of people, and we are going to give that power to Cabinet. Maybe that is the creative, robust tool that we are talking about. Maybe that change is what makes it right. Maybe instead of being done by an appointed board, it is now right because the Cabinet is going to do it.

However, the concern with that is that he goes on to say (which I will finish reading with your permission, Madam Speaker), **"This provision will allow the Government of the day to respond decisively to changes in local and global manpower trends both by adding and/or removing certain categories as circumstances warrant. Furthermore, this will give government the ability to implement policy directly and swiftly while alleviating some of the burden that would fall on the Boards to deal with applications on a piece meal basis. It follows also that this approach will introduce greater certainty in the designation process."** [ibid]

So, Madam Speaker, this process now will solve a lot of problems, I guess, and while we have taken a year they feel now that they have come back to a similar approach, but instead of allowing the board to exempt categories they have allowed Cabinet to exempt them. The problem with that, Madam Speaker, gets into what happens to the persons after they are exempted. The issue has always been that when you exempt a person you now allow them to stay here longer than that critical period, and that is the period where they have the right to apply for permanent residency and after permanent residency then Caymanian status.

If you have the Cabinet making the grant or making the allocation as to who will be exempted (and by becoming exempted that person then has a right to permanent residency and eventually Cayman status) that would equate, Madam Speaker, to Cabinet basically deciding on the grants of permanent residency or, ultimately, Caymanian status. Was that not the big thing that was wrong with the grants of those people who got Cayman status because Cabinet had done it? It was said at that time that it was not that the majority of those people were not deserving, and it was not that the majority of those people were not good people and needed to build a country. The problem, as I understood it at that time, was that Cabinet had made that grant.

So, Madam Speaker, if the person who gets exempted has the right to go forward not guaranteed—and the Honourable Leader of Government Business (in fairness, even though I know he will clarify I will continue to read from his statement) says: **“Madam Speaker, as you are no doubt aware, designation of an employee as exempted does not exempt them from the term limit provisions. It merely permits that person to remain here on work permit for nine years instead of seven and thereby allows them to qualify... for permanent residence. One might therefore expect, as is indeed the case, that persons affected by the provisions, whether they be employers or employees, wish to know that once exemption is granted there will be a reasonable opportunity to acquire permanent residence.”** [ibid]

As he said, it does not automatically exempt them, but it does allow them to stay. It merely permits the person to remain here on a work permit for nine years, and when the person stays here for nine years they will have an expectation that they can apply for permanent residency. After permanent residency and the naturalisation process comes Caymanian status.

So what we are getting now is that we will have categories of individuals even prior to them coming to the Island (which was the previous criticism) even prior [to] anyone getting to know them, but once they are in that exempted category that the Cabinet so desires to exempt, those people will have a very good chance of getting permanent residency and after that Caymanian status. That will be done not by any board, but the Cabinet will be the individuals who do that.

I assume the Government has checked this with their supporters and their masses who elected them en mass, to say that even though prior to the Election in 2005, people felt that the grants of Cayman status by Cabinet was a bad thing, that they are happy now with this arrangement whereby Cabinet will exempt certain categories of people and eventually those people will wind up getting Cayman status because of the exemptions that Cabinet made. Maybe there is a differentiation because instead of Cabinet just doing the grant, the Cabinet is just exempting the

category. Maybe their people have told them that they are willing to accept that. I still do not understand why, if it was wrong for the previous Cabinet to grant Cayman status, why it is not wrong for this Cabinet to be involved and why this Cabinet would have decided that, in greater transparency, they are now going to take that job away from the board and they are now going to do that for themselves.

It cannot be, Madam Speaker, because they do not have enough work to do, because we can see all the work that is proposed. We see \$94 million in capital expenditure alone in this Budget that is going to be borrowed and that we are assuming is hoped to be spent within this calendar year. So they have to be busy enough with other things going on that it is not for a lack of something to do. I do not remember hearing that it was the Business Staffing Plan Board that was overworked. I remember hearing that it was the Work Permit Board that was overworked. So I just wonder what the real reason is and what is the mindset behind taking away what was seen as an independent body or independent board from doing this and now giving it to Cabinet to do.

We hope that it has nothing to do with all of the things that the previous Cabinet was criticised for [because of] their reasons for getting involved in immigration matters because we can remember, Madam Speaker, that there were some real harsh reasons as to why Cabinet had approved [grants], the least of those being that the people were deserving at the time. It was for a myriad of other reasons.

Now it just begs the question that one year later the new Cabinet, in its wisdom, has decided that this is the way that they want to be more involved instead of being, what we would have expected, further removed because, supposedly, that was a terrible thing to do. If they had decided that they were going to put maybe even another layer or another board in place, instead of that they have taken it away and they have now proposed to give those powers to the Cabinet.

Madam Speaker, we are fast approaching another hurricane season and, of course, there is great concern as to how prepared we are for it. The memories of Ivan and the pictures of the disasters from around other parts of the world are fresh in everyone's mind, and there is great concern with respect to what we are doing to be ready.

I notice in the Budget where there is discussion or talk about hurricane shelters. I know there was some concern the last time as far as things like replacement generators and those things that were getting done and the various hurricane shelters in the different districts. As we can see, money does not seem to be an issue, and I am hopeful that the hurricane preparedness is not something that we, in any way, have taken for granted.

I have heard about a separate agency, NEMA (National Emergency Management Agency), so we see that things are moving as far as the administrative

aspect. I know that as part of that agency there were district committees and there was work that was going to be done in the districts.

The only reason I say, Madam Speaker, that I am a bit, I guess, concerned is because as representatives of the district, if there were district committees and the rest of the stuff being set up, since we are the people's representatives I would have expected that we would have known. Maybe we have not reached that stage as yet. I am not exactly sure. I do not think any of my other colleagues have mentioned to me that they were contacted about the workings of those district committees or what was happening, but I have been kind of out of the loop for a few weeks and maybe there is. I just wanted to make mention that quite a few of my constituents have issued and mentioned the concern and the call for preparedness.

I know the repairs are moving on quite well: home repairs, as well as, for example, the road works in East End, and general repairs that have been continued and continue moving on. I was a bit surprised because I noted that the district recovery funds seem to still be in operation. I remember shortly after the Election seeing a press conference saying that they had all been amalgamated to take away the threat or the concern of political interference. I note now that they still seem to be ongoing. I assume there is a reason or a need why it was not because at the point when I saw the press statement I got the feeling that it had been decided to bring it all under one body, which was the National Recovery Committee, and eliminate the possibility (like was said) for political interference. However, now a year later I still see work is obviously ongoing and things have been done.

I remember the West Bay Committee, for example, was chaired by a member of the civil service and had quite a number of the civil service members on in an attempt to take away the political influence that was there.

[Inaudible interjection]

Mr. Cline A. Glidden, Jr.: Okay, like I say, I am just a bit, I guess . . . whether it is in all the districts and whether it was still necessary in all the districts or whether it is just some districts, like I say, I was just going based on the press statement that I had seen right after the General Election.

Madam Speaker, we see that the National Archive is getting its new disaster-resistant archive facility. That is one of those things that has been discussed and the need for that was, again, quite evident after Hurricane Ivan.

We see that \$1 million is included in the Budget to build a sea wall in East End to help [protect] the main road in and out of the district. Madam Speaker, the question that comes into that is, what is happening as far as the sea wall in West Bay that we all recognise played a great part in the securing and safety of the main road into West Bay by the four-way

junction. My recollection serves that the sheet metal piling that was put there was only, supposedly, the first stage of that, and they were supposed to dress that up a bit to make it fit in more and to cover the piling to make it look more like a boardwalk, I remember, for a place for congregating of the residents so they could have a place to get together and to enjoy the beautiful sunsets overlooking the beach. I just wonder whether that project is continuing or whether that is all we should expect to see happen to that, as to where it is now.

We see in the Budget, Madam Speaker, an amount of \$6.2 million, to fund the establishment of a police marine facility. Border protection and border patrol are of critical importance and we all recognise the importance for that. There was a time I remember, Madam Speaker, when it came to issues of national security, usually what would happen would be that the consultants (or the people involved with that) would come down and do private, in-camera presentations to the Members of the Legislative Assembly so they would be aware of what the plans were for the Island from a national-security standpoint.

I do not know if the \$6.2 million to establish the police marine facility is just a facility, or whether we are looking at some of the things that have been discussed (aircraft, interceptor boats, any of that stuff) because we have discussed many times, and I think we are all in agreement that as much as possible we recognise how difficult and expensive it would be to protect our borders, but the protection of our borders is something that is very important to the country and is going to be key in fighting the insurgence of crime.

Madam Speaker, the district which I am honoured to represent, West Bay, is looking forward to our new arterial road coming in. There is some question as to—and, Madam Speaker, I notice that seems to get a look of amazement from the Minister. I am not sure how that can be amazement to him because I am sure that he will acknowledge that the plans for the roads were sitting there, and the roundabout down to Galleria was done with the expectation, and discussions had supposedly entered into the Hyatt property. So, Madam Speaker, I do not think that anybody should be surprised that I would say that we are looking forward because we recognise the need for that.

Now, the Government, obviously, has to prioritise, and it had not gotten any further than where it was. We are happy to see that the Government is moving that forward, and we give credit and support to them for continuing it. I say once again that I look forward to the continuation of the road into West Bay. Of course we would like, and we recognise, and we would hope, that there will be the continuation of that road as a part of the whole road works, because as traffic continues to grow and cars continue to be imported, that road will give even further relief later on.

We are looking forward to the completion of our library in the district. We know that had been de-

laid and we see some work continuing on that and we look forward to that work continuing.

Madam Speaker, one other area that has come to my attention (and I hope that the Ministers with responsibility will accept my remarks and questions in the way they are meant, which is to elicit a response and to be as constructive as possible) is the concern over the situation with the marine operators in the North Sound. There has always been a concern with environment as to what happens to the sewage from the many boats that are using the North Sound, and under the previous administration there was an agreement for a facility to be developed on the Safe Haven property, which would have included a very much needed sewage pump-out facility. All we have seen about that, Madam Speaker, was a lot of discussion in the newspapers as far as the number and the value and quantity of fill, which we have seen was exaggerated significantly.

[Inaudible interjection]

The Speaker: Honourable Member, if you are referring to the cubic yards, I think there was an apology from the Minister that he had been given the incorrect information, okay?

Hon. W. McKeeva Bush: You believe that?

Mr. Cline A. Glidden, Jr.: Yes, Madam Speaker. The only point, Madam Speaker, is that, while the issue of the cubic yards and value for the cubic yards is an issue—and if there was something so be it—but the important thing, Madam Speaker, would be that in absence of a facility, which was agreed, we still have the situation that exists.

So again, Madam Speaker, the only thing that I was questioning was whether we are looking forward to either a continuation of that agreement where the operators can look forward to that proposed plan, or whether that one may now have stopped because of whatever was at issue there and we may be looking forward to another one. Or, if there was no consideration given, basically, I am saying that obviously the need still exists for a facility, whether it be that facility or whether it be a facility located somewhere else. Whatever it may be, I was just questioning on behalf of those operators what the plans are, or what can they look forward to as far as a facility because we all recognise that as we continue to use the North Sound more and more and we have more boats there, the facilities are necessary.

Madam Speaker, with those short comments . . . I was not hoping to speak on all areas of the Budget or the Throne Speech. What I can say, as I have said before, Madam Speaker, is that as far as having been elected to represent the good people of West Bay and the good people of the Cayman Islands, at that time I pledged my support to the Government. Obviously, if they are doing something that I

do not agree with, I would have my concerns and I would express those concerns. However, in general, I fully recognise the way that the democratic system of this country works, and the People's Progressive Movement is a duly elected Government and any support that I can give during my time as an Elected Member to the betterment of the people of the Cayman Islands I will give. As you have noticed, Madam Speaker, my contribution is mainly just questions at this point in time.

I just looked across and saw my good friend, the Second Elected Member for Cayman Brac and Little Cayman, who made his contribution yesterday, and one of the concerns that I do have, Madam Speaker, with the new Budget is the \$94 million of borrowing. The reason I have that concern, Madam Speaker, and the reason why I remembered by looking at the Second Elected Member for Cayman Brac and Little Cayman, is that the time of borrowing, like he said, is that the cost of money is so high at this particular time, and it seems to be that, at this particular time, the Government is going out on its most ambitious capital investment project and also its highest borrowing. Tying that together with the biggest borrowing packages, both last year (a package of, I think, \$64 million) and this year (a package of some \$94 million), along with continuing the overdraft facility of \$15 million, it has to bring a concern since they acknowledge that, at this point in time, with borrowing money there is a very high cost. During the times of the economy being low or interest rates being low, sometimes government will embark on major capital projects to try to stimulate or keep busy. However, here we are with a booming economy, very high interest rates, and we have plans for borrowing \$94 million. My concern or question to that [is]: where are we proposing to borrow that money from?

I know through the creative Government, Elected Members and Official Members, a few years back we did a bond offering, which served to reduce our borrowings and reduce also the cap that is placed on borrowing, which actually finds us in a position which allows us to borrow now. If we had not done the amalgamation in the bond offering, I am sure that the \$64 million last year or the \$94 million this year would have taken us over the 10 per cent ratio that we worked towards. However, because of that ability, the reduction (if I remember correctly) from some 8-point-something per cent where it was at, down to, I think, 5 per cent, which now allows the continued borrowing, I just wonder whether any of those ideas are still there, whether there are going to be some creative ideas going into trying to find this \$94 million, or whether even with the acknowledged high cost of money we are going to go through the traditional-borrowing process for the \$94 million. I am sure, Madam Speaker, that those answers are there and I look forward to receiving them.

Once again, I pledge my support to what I now see as being, as I said earlier, a promising

budget. However, my good friend, the Minister of Tourism, has told me that it is not a promising budget because we have already gotten what we are going to get. I am not sure I can continue to call it a “promising Budget”, but, I still look forward, Madam Speaker, to achieving, and the country benefiting and I look forward to being able to contribute and support in any way that I can.

With those short remarks, Madam Speaker, I thank you.

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

The Honourable Leader of the Opposition.

Hon. W. McKeever Bush: Madam Speaker, I was not here this morning to say Prayers as I had a commitment with a constituent that I had to keep.

Madam Speaker, the Government is all smiles, especially their extension cords who would not get up and debate but have shut down. However, in good West Bay parlance, or Caymanian parlance, Madam Speaker, you can believe they are going to get up after I sit down.

Madam Speaker, I am not concerned about what they are going to say. I have already been told to ‘*Wait till they get up,*’ and then I will see what they are going to do me. Well, the truth is, they cannot say anymore about me than they have. They would have to be repetitious and, Madam Speaker, I am sure that you are going to stop that repetition. I hope that you would.

Madam Speaker, I await the report that we are talking about now and, Madam Speaker, before you rule that I should not listen to them and reply to them, you should first rule that they should keep their “clacks” shut.

[Laughter]

Hon. W. McKeever Bush: Madam Speaker, I thank God for another opportunity, after being in this House for these six terms, to represent the people of West Bay and, indeed, the Cayman Islands. Madam Speaker, they have been saying that I did not do a good job. The truth is, they would not come out and say the good things that were done. Madam Speaker, everybody can make attempts at trying to get something done that is good for the people and anybody can criticise it, but as yet, not much better has been done.

I said, Madam Speaker, that I did not want to be an Opposition such as I had to deal with. The truth is that the PPM is not going to stop criticising McKeever because they see me as the person that they have to kill. In fact, I know that they were told by Dr. Hendry that they had to destroy me because I was the person who had the popularity [pause] so I do not expect any better. All I would like for them to do is tell the truth, the whole truth and nothing but the truth.

Madam Speaker, I have been here a long time.

[Inaudible interjection]

The Speaker: Could we stop the cross-talk while the Member is making his contribution, please?

Hon. W. McKeever Bush: Madam Speaker, I am not going to pay them much mind. I will probably retort now and then, but I know my time is limited in speaking.

Madam Speaker, I do not expect the embellishments. If you want to criticise me, do so, but I have been here across this side and I have watched governments many, many years, and I know when the truth is being told and I know when they are trying to skip. However, the truth is, I have never heard any government tell any outright lies—

The Speaker: Honourable Member, could we use another word rather than “lie” because—

Hon. W. McKeever Bush: Tell me a good word, Madam Speaker.

The Speaker: Well, it is un-parliamentary throughout the world. I have done research on this with the House of Commons, and maybe “economical with the truth”, I do not know.

[Inaudible interjections]

Hon. W. McKeever Bush: Madam Speaker, I am hearing that I am Father of the House and what I guess they are saying is that I should not be saying that and I should know what is un-parliamentary. I know what is true! I will bow to your ruling, Madam Speaker. The Member for East End cannot sit and keep quiet, like he has rickets, talks about practicing it.

I have a lot to say that I think I will get on with, because I only have two hours. If I tried to address everything that is going wrong in this country, that the truth is not being told about, Madam Speaker, I would need a whole day and perhaps more time. However, there are some very important issues that will take up my two hours.

I have survived, Madam Speaker. That is what I am trying to tell them. The time that they spend to denigrate McKeever Bush they should be hard and fast in their ministries day, night, morning, evening, working, making sure that they get something done, that at the end of their time, whether it be four years or 24 years, they can look back and say, ‘*I have done my best. I have done what I could. I have fought a good fight,*’ because I know that is what I will be able to say. No matter how many times they try to tell the people that I did this and that to destroy the country, look back on the works that I have done, some of them that they, Madam Speaker, are now adding to and I thank

them for it: housing, waiver of stamp duty. I remember the licks I took for it, Madam Speaker. I remember motions brought here when I tried putting housing schemes and those that voted for them know who they are. What did they say? *'Oh, he has a real estate company. It has to be that that is for himself.'* Oh, yeah!

Madam Speaker, too sad that the people—and some of us, like crabs in a barrel—like to tear down each other and cannot see the good that is being done without trying to insinuate, because that is the only way that they could try to destroy McKeeva, is the many things that they have said because they knew what people said. *'McKeeva was trying to do something. McKeeva you can talk to. He might not have a university education, but he tries to do some good for the country.'* That is what they tried to destroy. They have not, Madam Speaker, as the last results in my constituency showed them. No matter how many times they put their enemies of enemies together, the people of West Bay say, *'I know thee. I know who you are. I know the shenanigans you play.'* No matter how many boards they put them on, Madam Speaker, people know them and it will not help them. I know that whether I am here, God's willing or not . . . maybe I will not be. However, I know this: it will not be them.

So let them go ahead with their campaign of hatred. Let them go ahead with their campaign of accusations and adding on and building up and making mountains out of mole hills and saying, *'This is a mistake,'* and, *'That is a mistake,'* all the time, Madam Speaker, in order to destroy someone.

Madam Speaker, almost one year ago the People's Progressive Movement (who were once not supposed to be a party) were elected after a campaign based on criticising every policy which the United Democratic Party had instituted. These policies were successful in taking a virtually bankrupt economy and turning it around into a vibrant one. When we left office, the Honourable Financial Secretary could say that on 11th May there existed in Government accounts nearly \$90 million, I think it was. So, Madam Speaker, I expected that at least road works that we had started would continue because we left the money. I expected that other things would be done. I did not expect though, that they would put people whom they rejected, and whom the Leader of Government Business said they were not going to do, to head up committees to spend some of that money.

Madam Speaker, today after one year and thousand of hours of meetings, the truth has finally emerged from the PPM. Their leader (and no doubt all members present) have come to the realisation that the policies instituted by the United Democratic Party, policies that were designed to protect, enhance and promote and did so in the Cayman Islands, were based on sound footings that worked. The PPM has finally endorsed those policies by recognising each

and every one of them in the SPS (Strategic Policy Statement) later made by the leader of the PPM.

Unfortunately, for our country, our people and our future generations, what the PPM says and what it does, as I just demonstrated (and I can demonstrate more inconsistencies) is as different as the climate is at the North Pole to that on the Equator. The people, however, are beginning to realise this fact, and so let them spend their time criticising me. As time progresses, the effects of inertia and saying one thing and doing the opposite will take its toll on our economy and our people. The PPM today are still benefiting from the good, economic policies and sound management in all sectors of our economy which were instituted and carried out by the United Democratic Party.

Despite their misguided policy on immigration and on inward investments, the PPM appears to have understood that in what they trumpeted as their efforts to take back Cayman. They said that our people did not vote for them to take them back to the days of cat boating from West Bay to George Town, East End to George Town, waiting anxiously for our fathers and brothers to come home from sea to be with their families. That is not what they were saying. They did not vote them in to send their businesses into a tailspin. They did not vote them in for small businesses to collapse as they have been doing, and for the cost of living to increase as it has, Madam Speaker.

Madam Speaker, the economy of our country is one which is fully interdependent. All sectors depend and thrive on each other. All sectors depend on people. We are not a manufacture-based economy. We are not an economy which has the luxury of mining and exporting raw materials and huge sources of natural resources. We are merely a service economy, and unless the PPM has some new patented invention, no service economy can operate without people. That is something, Madam Speaker, that I have had to settle in my own mind over the last couple of years.

Twenty thousand-plus people cannot operate one of the world's leading financial sectors, a thriving tourism industry, a construction industry and all the services required to meet the needs of those industries. It will not take a genius to figure this out.

Madam Speaker, days after the Election my good friend, the Honourable Second Elected Member for George Town, the Minister of Education, on behalf of the PPM announced that the PPM were reviewing the policy of exempting persons pursuant to the Immigration Law. Since that day, Madam Speaker, countless numbers of letters have been issued by the various boards appointed by the PPM, indicating to the recipients that either their time had expired, or that it was about to expire and that they should prepare to leave the Island quickly. Madam Speaker, untold numbers have left, untold numbers are planning to leave. Businesses in every area of our economy are suffering. Madam Speaker, to make it worse, we are losing good teachers, good healthcare workers, people who

have loyally looked after our children, people in the construction, tourism, service industries and people in the financial industry.

[Inaudible interjection]

Hon. W. McKeeva Bush: Madam Speaker, I hear the grumbling. I said I am not going to pay too much attention to it. The Minister of Education is still grumbling about who he is going to fix, as if he has not fixed enough people in the Ministry, and as if he has not fixed enough people in the Department of Education nearly defunct!

The Speaker: Honourable Member, would you please keep your debate to the Throne Speech and the Budget Address and not a comment from the Minister of Education across the floor.

Hon. W. McKeeva Bush: Madam Speaker, I am not addressing the comment, I am addressing the Throne Speech [and] I am allowed to go anywhere I want to go. Madam Speaker, I am trying to do so calmly, but when you hear the jibes coming over from that side about he is going to fix...

The Speaker: Honourable Member—

Hon. W. McKeeva Bush: Try help me lose my weight if you want to help me fix!

The Speaker: Honourable Leader of the Opposition, is this is a convenient time to take the morning break?

Hon. W. McKeeva Bush: Good time, Madam Speaker.

The Speaker: Proceedings will be suspended for 15 minutes.

Proceedings suspended at 11.36 am

Proceedings resumed at 11.57 am

The Speaker: Please be seated. Proceedings are resumed. The Honourable Leader of the Opposition continuing his debate.

Honourable Leader, for your benefit, you have one hour and 41 minutes.

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

Madam Speaker, when we took the break I was talking about the Immigration policy as applied by the Government, their interpretation, practice and implementation of the law, I was talking about the amount of teachers, healthcare workers and other workers in this country leaving. The costs, Madam Speaker, are significant to each and every business. The country has not been able to attract the labour we

need in Cayman businesses, and Caymanians are suffering and will continue to endure much more suffering unless this policy is reversed. Madam Speaker, despite the fact that this has been brought to the attention of the PPM, despite the many thousands of hours of meetings, despite many representation from all sectors of our economy and many millions of dollars in lost business to the country, the policy has not changed.

Madam Speaker, the present Immigration Law, which was introduced after a long consultation process with the private sector and the recommendations from a bipartisan committee and which was passed in this Honourable House some time ago, allows the flexibility to address human resource difficulties. The law was not designed to evict every one out of the country. No, Madam Speaker. The PPM changed the policy.

Madam Speaker, if I said the way they apply it would have been completely different. If they really wanted the people who were here to remain (those who helped after Hurricane Ivan, those who helped to build up our economy, those who worked in the tourist industry and the many Caymanian businesses, the financial industry and other areas of the economy) it would have been a very simple matter to exempt those that were considered important from the rollover policy and allow them to stay up to nine years and be eligible to apply for their permanent residence.

The PPM could have easily made the right decision by continuing the good policies that existed. Instead, they choose to inflict as much pain as possible on our people and our businesses. However, they have to do that, Madam Speaker, because they listen to a worn-out has-been, who believes that the Cayman Islands was only made for them. We did away with a certain merchant class a long time ago, and it seems to me that some of them want to get on the front bench again. Their utterances at the Governor's residence and utterances in the workplace and writing letters to the press . . . some people say it seems that they have hired a director of ethnic cleansing.

Madam Speaker, they do not seem to want the good policy. This is not what the PPM wishes. Their policies have clearly been designed to be divisive and harmful, and the PPM have demonstrated that they intend to stay with those policies despite the devastating, negative effect which the same have had on our people and our economy.

It is the realisation that businesses are leaving and business is being turned away. "Backofficing" has obtained a frenzied pace. There is the realisation that the economic benefit of providing these services on the Island, having a substantial presence with business which is now being redirected to other countries and that replacements are not forthcoming which now have caused the PPM to, at least, put in words that they intend to change their dirty old ways, their misguided immigration policy.

Revenues of the Island are going to be affected and [have been] already. Our children and future generations will feel the negative effects of these policies for years to come unless a real change is instituted in very short order. Words alone will not achieve this.

Madam Speaker, I am being tested to tell them what to do. They did not listen when I was there, do you think they are going to listen to me now? They are not going to listen to McKeeva. *'He does not know anything and all he has done was bad, so why is he asking me to tell him what to do?'* Of all the things, after all that has been said by the PPM, every one of them—and in particular the Minister of Education—about what they should and should not do, the proposal is now to move the decision as to who should be exempted to the Cabinet.

My colleague, the Deputy Speaker, did an excellent job; I do not intend to traverse that ground. Madam Speaker, it seems that the boards appointed by the PPM are not good enough they say. Can you imagine though, Madam Speaker, what would have been said in this Honourable House and elsewhere if the United Democratic Party had put forward a policy to politicise the work-permit and exemption processes by moving the same to Cabinet? Can you imagine?

I know what I was hearing, Madam Speaker. I know what was being said by every one of them. Madam Speaker, this is a clear example of how the PPM speaks out of one corner of their mouth and does the opposite thing. Political vendettas, political retribution, Members of the Opposition, Members of the Civil Service and elsewhere, and the silencing of the non-Caymanian population has reached new levels. All that they accuse everybody else of, Madam Speaker, you can believe it is happening and the public knows it now. No matter how much they say in this House, the public knows for one year what has gone on here in this country.

Can you imagine, Madam Speaker, what silencing this new politicising of the exemption process will bring to this country? This policy is wrong and contrary to everything the PPM had campaigned on. The people outside are saying so, and I do not who is telling them to do this, if anybody, but it is contrary to everything they campaigned on and said since winning the Election.

Madam Speaker, I said some time ago that the policy of the PPM is tax, borrow and spend. They say they are going to spend \$130 million of capital expenditure in one year. Will this be without people to carry out the works? Government and its supporters will be the only people with the labour at the rate the PPM are releasing good-bye letters from the Immigration Department. If the boards appointed by the People's Progressive Movement are not carrying out the PPM policies, then whose policies are they carrying out? Our people may be trusting, but they are not that easily fooled.

At a time when gas prices are rising, raw material costs are increasing on a monthly basis, finished goods are increasing in price, insurance costs have gone through the roof into the sky, interest rates on people's mortgages are rising, food costs are rising, health insurance premiums are rising, why is it necessary to raise nearly \$24 million in revenue in order to achieve a surplus of \$32.5 million?

Why?

It is said that for every dollar in new revenue measures—which is passed on to the people—the cost is approximately \$3 to the consumer. The consumer then will bear nearly \$60 something million in taxes of increased costs instituted by this PPM Government's budget, on top of all the additional increases which will result from the rising cost of raw material, gas and fuel oil.

If we were in government and the economy had continued to do as well as in the past years, there would have been no need for the \$18 million of taxes that we said we might have had to put on, much less \$23 million, Madam Speaker, that the Government is putting on. The effect of the Budget will be to increase the costs of living to a height never been seen in these Islands. Added to those measures will be the increasing costs of obtaining labour and the constant retraining of labour as it is replaced by the new good-bye policies of the PPM. A better policy would have been to encourage growth and development in these Islands in the right sectors of our economy, and growth for everybody. This, Madam Speaker, would have increased revenue to the Government without saddling the backs of our people with more expenses, who are already suffering with these increases.

Madam Speaker, the Leader of the PPM says, and I quote, the PPM is **"keenly aware that the cost of living in these Islands is challenging and that many people are struggling to make ends meet."** Madam Speaker, this struggle is not unknown to our people under our PPM Government. Having recognised this fact, the People's Progressive Movement have chosen to add to the suffering and struggling by introducing poor policies, measures which have terrified our business community and then added new revenue measures to compensate for these poor policies. Madam Speaker, the PPM is saying one thing, things that sound good, and doing the opposite, which causes harm and suffering. Not only does the proposed Budget provide for some more suffering for our people, but ensures that those to follow, our future generations, will bear the burden of the poor execution and misunderstanding of what creates a viable economy.

Ninety four million dollars plus, is the proposed borrowing that the PPM Government needs to do the works and balance the Budget in a time of high and rising interest rates. It is certainly not a sound fiscal policy. Our children will have to bear the burden of repayment. The economies of the world, Madam Speaker (at least those with sensible policies) are

predicted to continue growing over the next five-year period. Demand for oil, raw material and labour is predicted to exceed supply for years to come. Madam Speaker, as one can see from the advertisements in the paper, there are numerous entities from foreign companies advertising for the labour that exists in the Cayman Islands, teachers and all. And we are still busy issuing good-bye letters on a daily basis. The worst is yet to come.

Madam Speaker, we have to protect our people, no two ways about it. I could give you a case right now that is rather close to home. We have to because there are those who sometimes do not see what good it is, and some of them are still in that mode of hiring whom they are most comfortable with, and we know that. So the glass ceiling that was much talked about is still there.

However, I said a long time ago, Madam Speaker, that cannot be undone after 40 years of "*Bensonorus*". It cannot be, Madam Speaker. It will take some time. I give the Government that. But policies of over-protectionism and bad nationalism, mongrels to German shepherds . . . mind you, Madam Speaker, I love a German shepherd dog. That is all I have ever owned actually in my lifetime, good German shepherds, but mind you they can bite real hard – bad nationalism.

Good nationalism is when we do things to recognise our flag; when we get a national flower; when we get a national tree; when we recognise our people in more ways than one for all that they have done; when we can write our history and say that this is what Caymanians have done. Madam Speaker, when we can get our own Speaker (when we were told that that would be a bad thing) of the House rather than the Governor, that is good nationalism. Those are the things that I pushed for and I had colleagues to support me on. So when they cuss me, I simply go back to looking [to] the things that I have done.

Bad nationalism has failed, not only in the Caribbean but in major industrialised countries. Bad economic policy also results in poor revenue to government. Good economic policies always result in increased revenue to government.

Madam Speaker, take the example of Ireland, China and the United States of America. The United States of America has approximately 300 million people of the world's six-plus billion population. It has the world's most powerful economy. It gives away more money than any other country, and the gross domestic product exceeds most other countries much greater in size by many levels. Ireland has the most vibrant economy in Europe. China has the world's fastest growing economy. They all have policies that favour investment from outside. They have to bring it in. There are not enough of your people to create for all of your people.

Madam Speaker, the PPM shortly after being elected, in its plans for the future of our country, elimi-

nated the investment office in China. China is predicted to be the largest source of tourism and business that the world will have for many, many years. All countries are scrambling to put plans in place to benefit from this new source of business. The PPM's brilliant plan was to eliminate the opportunity to attract business from that region, saying that major companies will do it for us, the law firms. I reckon so. Oh, yeah! It will happen! Madam Speaker, Dubai, the world's fastest growing financial centre, where many of our Caymanian firms have already established offices and have reported growth, was another area eliminated by the PPM Government.

In their efforts to reverse all the policies of the UDP (except some of them that they could cover up good and throw a red sheet on it and stamp it "PPM"), they continue to do irreparable damage to the economy of our country, not only in the present but in the future. Their poor policies are similar to their immigration policy, and now similar to their policy to spend \$130 million in capital expenditure over the next year, with no people to conduct the work which is necessary for the capital improvements that they have set out. Madam Speaker, where are they going to get the people from to do this work? One hundred and thirty million dollars they say. When last year, Madam Speaker, we had our facility for \$60 million they could not spend it. How much did they spend? They could only borrow I think it is something like \$15, \$23 [million], something around there. Why are you budgeting all of this if you know you cannot get it done? Why? To have more to move from pillar to post and spend as you would want? It is far too much. Even if with all the needs, they must stand up and prioritise.

Madam Speaker, without the \$90 million in the Government's accounts, our people would have been feeling much more the yoke of poor management, over-protectionism and bad nationalism instituted by the PPM and their backers. The very Caymanians they claim to want to help are already feeling the pain of the first year, and those that they claim that we were not helping, the young Caymanians, what will happen to them? Are they going to survive? I do not think so, Madam Speaker. When we went out to talk to the young accountants and some young lawyers they said, '*We do not want you to make law for us. We want to have that opportunity to make business. We know that there is some protection needed.*' Madam Speaker, those Caymanians, those young ones, those who are starting families, those who are single parents are those who will be hurt.

A couple of close supporters of the PPM, who believe in enhancing their own welfare will be the only ones who benefit from some of these negative policies I see, because they have the money; it is simple. I am not quieting anybody down who wants to do business. No, that is not what I am saying. Give them every opportunity regardless of who they vote for or who they back, but give everybody the opportunity.

Without a radical change of policy, the PPM will not be able to enhance economic growth and will return next year seeking more revenue measures from the people and seek to borrow more funds to balance the budget even if they do not do anything with the \$94 million. Shifting the burden (and I hear this word “foreigners”) onto the foreigners, they are still partners. Those who have come to our Islands to assist us, those same people who look after our children, service our industries, will not be happy to have been singled out for payment of the majority of the revenue measures. They can tell me all they like, I am hearing that they are not. They can say, *‘I discussed this with the finance industry. I discussed this with the finance industry.’* I heard that from the good Financial Secretary.

But I know, Sir, that you are doing your job. You are doing what one of your predecessors said: “reading the budget the Government gave you.”

Madam Speaker, all that they have been carrying on with is going to backfire on them. Then they think they hurt McKeeva Bush and they think that because they took me out as the Leader of Government Business, or they defeated the UDP, that is the end of it, that is everything. What they are doing is going to be forgotten and that they can do and say any and everything. People now know different. I have never in my 24 years of being elected (and on looking for about another ten) seen so many people disgruntled so quickly after an Election than what I have seen with these people. They have a right and I will tell you why in a couple of minutes.

[Inaudible interjection]

Hon. W. McKeeva Bush: They will get over it? They will not get over it. You can believe that. They will carry that to the next time they make their ‘X’. I do not know whether you will be ‘X’-ed out or ‘X’-ed in, but the people are going to feel the pain of your work and they will continue to feel it unless you change that old carnality in your hearts.

[Inaudible interjection]

Hon. W. McKeeva Bush: Maybe. I am hearing that I am going to be in this position a long time. Well, we shall wait and see. I heard that many times in West Bay. *‘Oh, yeah, he is gone this time. We got him this time. We put all our enemies together this time and he is gone. Oh, yeah.’* The West Bay people know how to deal with *unna*, deal with you.

Madam Speaker, as our industries price themselves out of the market and the business which Cayman once attracted is “back-officed” in other jurisdictions, our people in our economy will suffer. Sadly, when you start down this road it is the most difficult thing to bring it around. That is what the Government should be saying to the people and that is what they

should have been saying in the campaign, rather than making them believe that everyone is out to get them.

Madam Speaker, the only good thing that can be said about the Budget is the speeches—in particular the speech of the Leader of Government Business—hopefully the truth has finally set them free and that they will in the future change their policies which have caused the divisive and destructive atmosphere in our country. Hopefully they will see the errors of their ways and institute sensible policies which the UDP had in place. Call it by a different name if you will. Paint it red, the colour of the PPM if you want. But the economic policies of the United Democratic Party served this country well, or else we could not have had on the day of Election nearly \$90 million in the coffers. Do not tell me any difference.

Only with such policies will Cayman, these Islands, continue to attract viable activity, economic activity and allow our people to be able to maintain the standard of living to which they have been accustomed to in past years. Without this, Madam Speaker, our country is on a downward path of decreasing revenue collection and increasing costs.

Madam Speaker, all that is needed for success is less meetings and more time applied to following the good policies that were left in place for the PPM, and the UDP is proud of the fact that the PPM has finally recognised these policies in writing, but to the public at large via this honourable House.

Madam Speaker, the correct way to lessen the burden borne by our people is to reduce the revenue measures. Cutting the cost of living stimulates our economy, thereby allowing Caymanians to live without the stress and strain which families have been made to endure during the first year of the PPM’s Government.

The PPM has said that the cost of living has increased by 7 per cent. I wonder which country they are living in. We all know that it is nonsense. It is something around 30, 35 per cent. We have experienced interest rates increase making the cost of our homes, or obtaining a home, harder; the high cost of insurance. Caribbean Utilities Co Ltd rates have nearly doubled due to the PPM’s policy. Gas prices are close to \$5 dollars per gallon. When that happens, Madam Speaker, do you know what the cost of electricity will be? It scares me to even think about it because I am pretty big and I cannot take the heat. There are high costs of basic food items.

With all these major contributors to the high cost of living, Madam Speaker, it seems the Government has no solutions to help ease the burden. In fact, they have not even made mention as to what they are going to do to reduce, or help reduce the impact of the constant increases that (CUC) (Caribbean Utilities Co Ltd) has implemented for electricity. This, in my opinion, is unconscionable. The price of telephone service [went] from a dollar something for an overseas call I think it was, to just some cents now. It is the only thing that has decreased, which was due to the introduction

of competition by the United Democratic Party within the telecommunications sector.

Madam Speaker, I am concerned and have been about this cost of living, and here are some very interesting but shocking statistics on the standard of living of our residents and even those on work permits. When you have this, tell me you do not have a bad situation:

- Ninety per cent of all domestic helpers are making less than \$1,000 per month, much less.
- One hundred per cent of all janitorial staff is making \$5 or less per hour.
- One hundred per cent of all security guards are making less than \$1,000 per month.
- One hundred per cent of all boutique workers are making less than \$1,000 per month.
- Ninety per cent of all gas station attendants are making less than \$1,000 per month.
- Thirty per cent of all construction workers are making less than \$1,000 per month.
- Eighty per cent of all hotel workers, without tips, are making less than \$1,000 per month.

These are the people who are living here and need to send money home and live off the rest. Can you imagine, Madam Speaker? Can you imagine? Caymanians in the same situation are no better off and, indeed are much worse off, much worse.

Approximately 20,000 people, including our elderly, seamen, veterans, handicapped and special needs people, are not making the minimum amount of money needed to live in these Islands on a monthly basis, yet thousands of dollars are wasted by the PPM while people suffer.

The Leader of Government business gets a raise, and he even gives me one. Madam Speaker, it is a shame to this race—

Point of Order

Hon. D. Kurt Tibbetts: Madam Speaker, on a point of order.

The Speaker: May I hear your point of order, please?

Hon. D. Kurt Tibbetts: Madam Speaker, the Leader of the Opposition just said “he even gives me one,” meaning that I, the Leader of Government Business, gave him a raise. I had nothing to do with the raise, Madam Speaker, and it is misleading.

The Speaker: Honourable Leader of the Opposition, I will ask you to withdraw those words because neither you, nor the Leader of Government Business, nor the Speaker were aware of any increases to salaries. So I ask that you withdraw that comment, that the Leader of Government Business gave you a raise.

Hon. W. McKeeva Bush: Well, Madam Speaker, let me rephrase it. I got a raise too.

The Speaker: No, no—

Hon. W. McKeeva Bush: I will withdraw that he gave me a raise.

The Speaker: Thank you.

Hon. W. McKeeva Bush: However, I can tell this House here and now I know what has been said about that raise. I know that it was claimed that I had asked for a raise, Madam Speaker. The world knows and the civil servants know that I have not asked for any raise.

The Speaker: Honourable Leader of the Opposition, if I may say something, please. I think you asked that specific supplementary to the now acting Chief Secretary in a question concerning those salaries, and you were told that you did not approach him for any raise, so can we move from that subject back to the debate, please?

Hon. W. McKeeva Bush: Madam Speaker, I do not think that I should be stopped on this. Okay? But I will abide by your ruling. I do not think so because I have a lot more to say. However, I can say this, that while I was the Leader of Government Business I did not get any raise.

Madam Speaker (and I will say this too), there are still people hurting from the hurricane damage. I hear daily the complaints from persons across all sections of society about the high cost of living. I am wondering who the PPM is listening to when they say the cost of living has only increased by 7 per cent. Are they not listening to the very persons that elected them to office?

Madam Speaker, I have been bombarded recently by people from all walks of life about the high cost of living and asking what the Government is going to do to ease the burden. I notice that not much comment has been made by the Government about this. I am wondering whether the PPM Government truly understands the plight of the common man in Cayman, of these Islands. Or, is it that they do not care or that they always knew that this would happen? What is it?

To truly understand how our residents are handling—in fact, not handling the high cost of living—Madam Speaker. I decided to look at the various cost items that typical families would have to pay on a monthly basis, and this was a very educational exercise. Quite frankly, Madam Speaker, it has saddened me.

Based on the amount of money that families have to pay on a monthly basis, I am extremely concerned that the vast majority of our residents are not able to meet their monthly expenditure. I think it is a dire situation. Basically, while our residents are working hard, they are not able to meet their monthly expendi-

ture and are constantly facing a deficit. Consequently, those who need it will not be able to attain one of the very basics of any family, which is to get their own home as they will not be able to qualify for a mortgage and that is the crux of the matter.

It is good, Madam Speaker, how the PPM has accepted one of our policies that I put in place, to waive the duty on property and on homes. They have increased it, and I congratulate them on this. It is a good thing they are carrying out a good policy. Would to God, if they had done that with everything that I had done, instead of trying to wipe it out . . . It is a good thing.

Madam Speaker, here is an example of how a Caymanian family would not be able to qualify for a mortgage due to their very high monthly expenditure. Let us take a couple earning \$3,500 each (you would call that middle income), which would make a total family income of about \$7,000 per month. They want to borrow \$286,000. That is the maximum a bank would consider lending for a home that is approximately 2,000 square feet, which you would say is middle income. Here is what the expenses would be:

- A monthly mortgage. That amount of money would take \$2,550 over 25 years at prime plus 2, which is now 9.75 per cent.
- House insurance per month (and we know that has gone, as I said, through the sky), \$476 per month if they are lucky.
- A car loan over five years, \$579 per month.
- Credit card (everyone has one, but let us say for that limit of salary, \$2,500) the monthly payment is something like \$102.
- Pension and health insurance payments for a family of four, \$700 per month.
- Education and child care, book fees, uniforms and lunch money, et cetera, \$300. That is a low estimate and all of us who have children and grandchildren know that.
- Groceries for four people, \$1,000 per month. Again, a low estimate.
- Utilities, water, telephone, television, Caribbean utilities, \$700. Again, a very low estimate.
- Motor car upkeep, \$200. Again, a very low estimate.
- Other expenses. Let us say a part-time helper, clothing, lunch money for two people (the husband and wife have to work and they have to eat), \$600. Again, a very low estimate.

Total expenses: \$7,207. Deficit: \$207. That is no vacation money, not even a trip to the Brac! That is why the bank will tell you, *'No, you cannot qualify.'* This means that when this couple applies for a mortgage and the bank reviews their application, this couple will not qualify because they do not have enough money. Although the couple is within the debt-servicing ratio of the bank, their monthly expenditure

is so high they would not be able to qualify for the mortgage, much less afford a family holiday.

Madam Speaker, let us use another example which would be, let us say, typical of a civil servant or Cayman Airways Ltd employee. Let us see how dire their situation is. This example is of a couple with two children and earning \$4,400 per month (that is \$2,200 each per month, a little lower down the scale) wishing to apply for \$173,000 to purchase a three-bedroom, pre-cast house. Here is what their expense would be:

- Monthly mortgage payment, \$1,540 over 25 years at prime plus 2 per cent, which is now 9.75 per cent.
- House insurance per month, \$250.
- Car loan, \$347 (they own a little less car, \$15,000 instead of the other one being like \$25,000) Over five years a car loan, \$347.
- Credit card, maximum credit limit, \$1,500 for these people. They would pay back \$65 per month.
- Pension and health insurance payment for a family of four, \$570 per month.
- Education and child care (that is book fees, uniforms and lunch money and so on), still the \$300, and that is giving a low estimate.
- Groceries for four people, still at the same amount, \$1,000.
- Utilities, water, telephone, TV, (CUC), \$500, which, as I said, is a very low estimate.
- Motor car upkeep, \$150. Again, a very low estimate.
- Other expenses. Giving them a part-time helper, clothing, lunch money for two people, again, still at the same, \$600. Very low estimate as well.

Total expenses: \$5,322 per month. Deficit: \$922. They would fare off the same way. The bank, on doing this sort of exercise with them, will tell them *'If you cannot qualify you cannot get a home.'*

This is a real sad situation, Madam Speaker that a vast majority of our citizens are facing whereby they will never be able to get a home. The vast majority of these additional costs have occurred since Ivan, and because this Government allowed (CUC) to increase the cost of electricity which has significantly increased the cost of living of all residents. Madam Speaker, this is not good. What has the Government put in the Budget to deal with this kind of situation?

I know there is an increase for veterans and seamen. Madam Speaker, I want to thank the Minister for that. It was something that was left to be done and if you look in our Manifesto you would see that that was what we were going to do.... They would assist but we wanted to insist. I want to insist here for these veterans and seamen, not the elderly across the board. Madam Speaker, I hope (I am hoping the same thing) that when they do this exercise they are going to increase it. We increased it up to where it was. When I came here, Madam Speaker, just so the Minister of

Education knows, he said I would not do anything about it. What audacity! What a tongue in cheek, Madam Speaker.

When I came here, Madam Speaker, \$25 was what the poor people in this country used to get, and only if they supported some people. I had it increased up to \$50 and I moved it again and again and again because those people built this country and those people had no pension. Even though I had intentions of putting in a pension, I knew it would be past the stage where the old people would get anything from it. They had to walk out the doors with their hands behind them after 30 years, in a place in some hotel broken down, high blood pressure, heart trouble, and they might have got a letter saying thank you or, in some cases, a watch that ran for a couple of days.

They had nothing, Madam Speaker, and they have the audacity to tell me that I did not do anything and still saying so today. Who do they think they are fooling? Who do they think believe in them at this stage? I know who it is. It is your buddy, the Minister of Education.

The Speaker: Is this a convenient point to take the luncheon break?

Hon. W. McKeewa Bush: One last point, Madam Speaker, before moving.

I started the waiving of stamp duty on houses and land, and I said what I had to say about that earlier. The Government has come along once again and taken a plan that existed and raised the amount of the waiver higher, and that is a good thing. That is good. That is what is needed. It will help some people hopefully get a piece of land. However, if you use the examples I gave, which came from a couple of banks, and they have to pay rent, there is not much room left to save to try to buy a piece of land.

Nevertheless, the Government had to do what it did because it needed to be done. However, as I said, the people are not going to get a home, not even with a piece of land and the situation for those who do not own or cannot get a piece of land, the outlook is that much more dismal, because they cannot qualify for the mortgage due to the fact that their salary cannot cover their monthly expenditure for costs.

Now, consider those who are making much less than those examples that I gave. Consider the single parent. What is their life looking like? Consider some of the lower civil servants. I have to say here, I hope that there is some study or something going on that will give the civil service a needed raise, a boost from the bottom up.

[Inaudible interjection]

Hon. W. McKeewa Bush: It needs to be done, Madam Speaker. In fact, what has happened to this country is that the cost of living, in particular since Ivan, has stripped the salaries of the people of this

country and those people, Madam Speaker, are the ones who are upset because they are not getting anywhere it seems. Blame me if you will. I know you want to blame me, but do something about it. Do something about it. What is their life looking like?

You sure you do not want to go till one, Madam Speaker?

The Speaker: That is fine with me if the House is . . .

Okay, go ahead, Honourable Leader of the Opposition.

[Inaudible interjection]

Hon. W. McKeewa Bush: *Everybody is sinking because of you!*

Madam Speaker, the Third Elected Member for Bodden Town made reference about not getting things done in the civil service, and how you can work and yet be sabotaged or you cannot get your work done. I had to chuckle. It is not surprising that the PPM comes now talking about civil service not getting work done and sabotaging governments, but yet was all smiles on their campaign trail when it was so evident that that is what had happened to the Leader of Government Business. Then it was okay, although I do not know what evidence he has that he can prove what he said. I know that it is surely clear enough what happened to me and that I had hoped was the last of the pariahs. I had hoped, Madam Speaker, that that sort of situation would not happen again.

Madam Speaker . . . *You said it.*

Crisis readiness, disaster preparedness and investment in our future. As you know, Madam Speaker, we are all aware—I do not think that I will finish this topic within ten minutes.

The Speaker: Honourable Member, go ahead and at one o'clock we will just take a point in your debate that we can have lunch.

Hon. W. McKeewa Bush: Okay, good.

Madam Speaker, we are all aware of the growing number of world crises. Our economy, our reputation in the global community and our relationship with key stakeholders have been directly impacted by more frequent and severe challenges such as globalisation, the Asian financial crisis, the tragic events of September 11, 2001, corporate governors' failures around the world, natural disasters, SARS, wars, and more recently Ivan.

Madam Speaker, I recognise that we needed better preparation for any disaster, and here is what I proposed in June 2003 in the Policy Statement for the 2003/4 Budget. I want to quote that, Madam Speaker: **"The question that I have pondered as Leader of Government Business is: what if something happened that resulted in thousands of people [losing] their jobs – what plan is there in place to ad-**

dress such a catastrophe. I recognize that we needed such a plan with solutions.

“The new reality of risk demands a new standard of leadership on our part. We must bring to these challenges a vision – a new approach and shared commitment that will raise the bar of excellence for government and businesses alike.

“Such crises in the Cayman Islands could wreck tourism, devastate the economy, destroy existing revenue streams, and shrink the Government’s revenue base. This would destroy businesses and in turn cause social deterioration from massive unemployment. Any or all of these consequences would jeopardize government and businesses ability to deliver public services to our residents and visitors.

“I am, therefore, proposing to implement “A Cayman Islands Crisis Readiness Program.” This programme will enable public and private organizations to better prevent, prepare for, respond to and recover from all kinds of potential threats including:

- Natural disasters (e.g. hurricane or earthquake)
- Financial services threats (e.g. imposed external legislation)
- Industrial accidents (e.g. oil spill)
- Technology failures (e.g. damaging power outage)
- Public health threats (e.g. SARS)
- Terrorism of some kind (e.g. bombings)
- And others

“To this end, the Government intends to enter into an agreement with Marsh McLennan group of companies who will work closely with the Cayman Islands’ Government and business community to develop and implement the following four-part program:

“I. Crisis Readiness Review

“The success of any crisis management planning effort depends on an understanding of key organizational and cultural issues. Each organization is different, with unique structure, culture, processes, and people, all of which influence crisis management capability. Through structured interviews and reviews of selected policies and documents, Marsh McLennan will determine what issues need to be understood and addressed as part of improved Crisis Readiness planning.

“II. Hurricane Preparedness Simulated Exercise

“A simulated exercise will help assess and validate the Cayman Islands hurricane preparedness. Marsh McLennan will design, develop, conduct and evaluate a discussion-based exercise for a proposed Hurricane Response Team. The Team will be challenged to talk-through their response and recovery actions based on a hypothetical crisis scenario(s). The hypothetical scenario will challenge the crisis communications and human

impact capabilities. Participants will include Hurricane Committee members and selected others. The simulated exercise is designed to observe and benchmark the team’s management process(es).

“Marsh McLennan’s simulated exercises place strong emphasis on measuring Crisis Readiness capabilities, understanding of and ability to respond to human impacts, clarification of team member roles and responsibilities, notification and activation procedures, response strategies, and individual roles and responsibilities. Simulated exercises provide a training opportunity for team members to strategize responses, sharpen decision-making skills, and strengthen team cohesiveness.

“III. Crisis Readiness Education & Training Seminar.

“Marsh McLennan will conduct a 1-1/2 day education and training seminar for selected government and business leaders. The seminar will be designed as an interactive workshop that provides an overview of Crisis Readiness initiatives in government and business as well as insights into world issues that can create a potential crisis environment for a country like the Cayman Islands. The seminar is intended to provide participants with training and dialogue, with key government and private sector individuals in crisis management, emergency management, human impact, and crisis communications.

“Seminar participants will be provided the opportunity to enrol in Marsh McLennan’s Crisis Academy prior to attending the seminar. Course offerings will include:

- *Foundations of Crisis Management* introduces participants to disciplines, philosophy, terminology, methodology and relationship to other fields.
- *Foundations of Emergency Planning* introduces methods for identifying and assessing hazards and vulnerabilities that require an emergency response plan.
- *Foundation of Crisis Communications* offers guidance for effectively reaching employees of agencies and companies as well as the media, financial markets, and residents/visitors to the Islands.
- *Foundation of Humanitarian Assistance* provides an introduction to processes and basic tools needed to deal with the physical, financial, and social-emotional impact of a crisis.

“This blended e-learning and instructor-led approach will provide participants with a solid appreciation for the best practices (“foundations”) needed to respond to and recover from a wide range of crisis triggers. It can be individualized and personalized based on the findings of the Crisis Readiness Review, Hurricane Preparedness

Tabletop Exercise, and participant job function/title.**“IV. Real-Time Crisis Consulting Support.**

“If/when a crisis should occur that impacts the Cayman Islands, Marsh McLennan’s Crisis Consulting Practice will, upon request, provide the Government with real-time management support, including the guidance that agencies may need in order to respond quickly and effectively. This service can be initiated by calling Marsh 24 hours [a] day, 365 days [a] year.

“I am proposing this new public-private partnership to enhance the existing crisis readiness capabilities of government and businesses in the Cayman Islands. By working closely together, our government and business community can begin to integrate and leverage our ability to efficiently respond and quickly recover from a wide range of potential crises.

“We need to create this Partnership because we know that, the government and the business community cannot undertake this crucial task alone. We must join forces. By committing to this partnership effort, we acknowledge our responsibility to resource this initiative and to build the trust that will be needed to carry it through.

“After this assessment has been conducted, a report will be made to the Government with suggested solutions and action plans as to how to tackle any given disaster. Then the Government, and our partners in the business community will meet, discuss, plan and strategise, to ensure that we are prepared to meet the challenges ahead, whether man-made or those laid down by a higher authority, so that the people of the Cayman Islands can continue to prosper and maintain our standing as the leading provider of financial services and a safe, serene and sought after tourist destination.

“We pray to God that we never have such a disaster but we must be ready with an alternative in the event that we find ourselves in such a predicament.” [2003 Official Hansard Report, pages 276-277]

The Speaker: Honourable Leader—

Hon. W. McKeeva Bush: End of quote.

The Speaker: Honourable Leader of the Opposition, we will take the luncheon break at this point. By my calculation you have approximately 36 minutes left of your debating time. Proceedings will be suspended until 2.15.

Proceedings suspended at 1.00 pm

Proceedings resumed at 2.24 pm

The Speaker: Please be seated. Proceedings are resumed. Honourable Leader of the Opposition continuing his debate.

Honourable Leader, my calculations apparently were out by two minutes with the Clerk, so you have 38 minutes remaining. Honourable Leader of the Opposition.

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

Madam Speaker, I was referring to what I had said in June 2003, in the SPS (Strategic Policy Statement) concerning disaster preparedness. Madam Speaker, that plan was not accepted by the Governor, and in spite of me writing to the then PS (Permanent Secretary), he never, for whatever reason, sent it to Cabinet until July 2004. That plan languished in the Ministry for want of support for the Marsh consultancy, a meagre amount of just over \$100,000, but a good disaster preparedness plan for the Islands.

The Permanent Secretary (now the Minister of Tourism) eventually put it in paper to Cabinet before he, like Nicodemus, left my office in the middle of the night in July 2004, to run for the PPM. However, Madam Speaker, while I am not laying the entire blame on the Permanent Secretary, what I am saying is that it did not get anywhere, and when it got to the Cabinet the Governor did not support it. Even when it went to the Cabinet, the plan was not accepted by Governor Dinwiddy. I had had more run-ins with him, Madam Speaker, for those kinds of things. That is why I say, as far as I am concerned that Governor never had any concern for this country.

Had this plan been accepted by the then Governor and his advisors, we would have been prepared for Ivan in September 2004. Madam Speaker, I did my best with it. I am only sorry that the Governor and his advisors would not support the plan in Cabinet. Today I must ask, after a year, where is the disaster plan from this Government? What is being done now perhaps will not be sufficient for these Islands if we are hit again.

Madam Speaker, the Budget as it stands, does not provide much room for unforeseen circumstances. Additionally, due to the increase in cost and fees, we fear that the revenues forecasted in the Budget may not be realised. Madam Speaker, the world condition, I do not know, is in a precarious position I should say. I think war is pending, or some hostilities are pending with Iran. If oil prices go up to \$100 per barrel, Madam Speaker, we are sunk. Travel could be affected also, Madam Speaker. As I said, I do not think the Budget is looking at any unforeseen circumstances.

This Budget also has an unusually high amount of borrowing for one single year; I think I have gone through that already. In closing this aspect of my debate, although the PPM indicated that education is their priority and heavily criticised the UDP administration for our education policy, since being elected, the

Government has not made any significant improvements to the education facilities. Despite having been budgeted for \$63 million for capital projects last year, very little of this was spent on education. In spite of spending the money on education, they diverted capital that was allocated for education to the building of roads, and there again, budgeting a large amount of money for capital projects and will therefore need human resources to complete the project. This seems to be opposite to diversion to what has transpired in the granting of the work permits and the people to do the job.

Many people have complained about being asked to leave the Island on such short notice. It is absolutely clear that they will not be spending this money all at one time throughout one year, and there is a significant risk of not meeting their forecasted revenue targets. So I am convinced that the PPM's fiscal and immigration policies are totally out of sync and will potentially lead to significant debt and a budget deficit.

Madam Speaker, I must thank my friend, the Minister of Works, for his efforts and for carrying out the planned road works, not only on the West Bay Road, which was started, but also in the districts.

The Member for Bodden Town who spoke, Madam Speaker, talked a little bit about where we are going with roads and traffic and congestion. What I have been saying to successive governments for years is that when the schools are out, in the summer or other times, we can move from West Bay to George Town in 15 minutes. I understand travel time on East End road is as good. That is when the schools are out.

Something we ought to have done all these many years was to take that situation and look at it, because we continue to spend and pour millions of dollars into roads, millions and millions. Yes, we have to get that arterial road. I said that, and there were plans for the dock in East End and to get that fill and that fill would have built at the airport and built the arterial road throughout this country. That I recognise. However, we hear of suffering—and have suffered for all these many years—about roads and we have done nothing about the transportation in the schools, you see, outside of those bussed children now. Yet it is so clear. We feel the effect of it every time the schools close time — you get from West Bay to George Town in between 15 to 20 minutes. I have experienced that, Madam Speaker, and I have watched it closely year in and year out. There is no big great hold-up.

I am not saying we should not continue because we started a road. I heard the PPM saying I will not support their road programme. As I said, we left money for that. That is a bunch of nonsense what they are trying to say. I think we are not being innovative enough, and there are other areas that we can look to cut back on traffic and we are not doing that. We continue to just want to pour millions and millions of dollars into the roads. So we need to do that, and suc-

cessive governments have not done it and I hope this one will. I hope that this Minister will look at it.

I want to thank him again for continuing the road works planned on those that have been [constructed] in West Bay. There are still some others and I understand that they will be coming back to finish them.

Madam Speaker, I know that a lot of work was done in Cayman Brac and Little Cayman over the years. I know that. I am safe in saying that successive governments, particularly Captain Charles and Juliana O'Connor-Connolly (the First Member now), have made improvements on those two Islands—

[Inaudible interjection]

Hon. W. McKeever Bush: His time is coming. Newer airport, there was—and I have been part and parcel of it, Madam Speaker—newer hospital, water, road network, new old people's home. Up until I was the Minister of Health for the year 1993, Madam Speaker, they were still carrying caskets on the backs of pickup trucks. That is no longer so.

I have always had my concern for Cayman Brac and demonstrated that in ways to help out the people there. During our recent terms many, many roads were put in. Roads were not just built for family and close connections. They were built to serve everyone. The badly needed airport resurfacing was done. The social improvements have been significant and we tried to improve the lives of the elderly, the seamen and the veterans, trying at all times to keep employment high in Little Cayman and Cayman Brac. We gave tremendous support to the Brac Informatics Centre. Our latest support was for the medical school there and for the business—I think they call it Uptown Centre. We gave them \$800,000 for housing and that was started, although it was slowed down, and the First Member for Cayman Brac and Little Cayman will elaborate more on this when she rises to speak later.

We will continue, Madam Speaker, to do what we can for the good people of those Islands, but they are not going to tell me here, without being challenged that we did not do something for Little Cayman and Cayman Brac. There needs to be a whole lot more done, and I am glad that steps are being taken, but. . .

[Inaudible interjection]

Hon. W. McKeever Bush: No. Just in case.

[Inaudible interjection]

Hon. W. McKeever Bush: Yes. Madam Speaker, when the time came that they said they could not send the jet there I said, 'No, we are going to continue, we have to service it. It is a good tourism infrastructure and we are going to continue to service it. It is going to cost us a little bit more.' Then we got an improved service by getting the Twin Otters. . .

[Inaudible interjection]

Hon. W. McKeeva Bush: You see, Madam Speaker, I know that they grumble in their seats but they would not say anything here because they know they would look so bad in saying most of it, they say it outside. Nonetheless, I, Madam Speaker, am proud of the work that was completed in Cayman Brac and Little Cayman, and I am glad and thankful that I can go back there any day of the week and I am still welcomed there. I am not a part of the Masons, Madam Speaker, I am not a Masonic Lodge member, but I am still welcome there.

Madam Speaker, if I could just have a minute.

[Pause] No. Madam Speaker, I had misplaced some of my notes.

[Inaudible interjection]

Hon. W. McKeeva Bush: Yeah! Very copious!

Madam Speaker, much has been said about education, and the Minister says from roof tops that he is trying to get changes. Let me be very open with my opinion with him. He is not going to get ahead as long as he has the Permanent Secretary he has. That is my opinion. They have the wrong person, and I told that to the last Governor. I believe that the person they should have for education is that woman that is now going to leave.

Madam Speaker, they are going to get into big trouble. I have seen many changes in this country on education. I have seen them just a year and a half apart under "*Bensonorus*", and it affected school children, Madam Speaker, including my own. With all the goodwill in the world you cannot do it without proper staff. The Schools Inspectorate was established in 1996, Madam Speaker, following recommendations made in the Education Five-year Plan of 95/99. There were many concerns expressed then about the performance of students in our school system, and in particular high school graduates.

The Inspectorate was set up, as I recall, as an independent body with responsibility to audit all schools both public and private to ensure that there was improvement in teaching and learning, and after years of inspecting schools and tabling reports, can it be said that they have been effective?

It is obvious that the Minister of Education, from his weekly press briefings, has grave concerns on the state of students' performance at all levels of the system, and this must bring into question the Inspectorate, its strengths and its weaknesses found in the schools.

Madam Speaker, strange enough the Chief Inspector of the schools, as it has been said, has now been asked to lead Strategy II, dealing with the review of the national curriculum. I have to question, Madam Speaker, whether they are trying to perform the role of both judge and jury. How can the Inspectorate give a unbiased report on the curriculum if they are now be-

ing asked to oversee the development of the curriculum?

Madam Speaker, much has been said about the children and the TerraNova Test, and I believe that the Minister made a grave mistake in what he did. I think he gave a skewed report on the TerraNova Test data which was produced by the Assessment Unit in the Education Department. What the Minister failed to provide the country with were the conditions under which this test was administered. All schools received extensive damage from Hurricane Ivan, and as a result of this, most students did not return to school until almost two months or more in the aftermath of the hurricane. Families were displaced. Many students were uprooted from their homes and school environment, and the only schools that were not affected adversely by the hurricane were those on Cayman Brac, even though they had to accommodate larger classes due to the influx of students from Grand Cayman.

The test was administered in May, approximately five months after the students were in school following the hurricane. The students were asked to do a new test for which they were not properly prepared, plus some of the conditions under which they had to do it were certainly not conducive to taking a test at that time; and as I understand it, principals and teachers were very reluctant for their students to sit this test given the short time the students were in school. Many students were displaced and still in shock, Madam Speaker, and [faced] adverse conditions under which they had to sit the test. Principals and teachers were reassured (this is what is told to me) that the test would just be used as a pilot to determine how students would perform following a national disaster such as Hurricane Ivan. It was never the intention of the Education Department for the test results to be used to pass judgment on the students of the schools.

I do not think that any well-thinking educator would have done what was done, to use such data given the background information, to indict the country's children. Strange enough, Madam Speaker, the country's watchdog on teaching and learning, the Schools' Inspectorate, analysed the same data and concluded that the results could not be used as baseline to inform any decision the Government was so inclined to make. The Minister, as far as I know, has not mentioned anything about that report in his weekly press briefings. About ten years ago, Madam Speaker, there were concerns regarding students and teachers overall performance, and as a result of these, as I said, the Schools Inspectorate was established to help address this problem.

So I am concerned, Madam Speaker. I do not think it was right that that impression was given without an explanation. It is an indictment, and I certainly would want the Minister to say what truthfully he finds wrong in the system. Yet you cannot continue to do with the education system what has been done by the

PS through the Minister. You cannot continue to put it down and put it down and then, Madam Speaker, nothing happening at the other end. Somebody has to say, 'Well, if you are so right what are you doing about it?'

Madam Speaker, in the *Houston Chronicle* of 6 April 2006, it was reported that, "**Schools in counties hard-hit by Hurricane Rita won't be rated on their students' performance on state-mandated tests this year,**" and that was announced by the education commissioner. The report continued, "**Districts that were closed for 10 or more instruction days between Sept. 21 and Nov. 3, 2005, along with districts in counties designated as disaster areas by the Federal Emergency Management Agency [FEMA] will be listed as "not rated" if their rating drops from last year.**"

Many students on Grand Cayman missed more than ten instruction days, and yet their test scores have been used to incriminate them. This is a dangerous precedence and non-educators should do their research before playing with our children's lives. What will the Minister say when this year's results are out if they are better than last year's, which is possible because students, Madam Speaker, were interrupted at that time. It is always best (I know that they know that) to err on the side of caution, but in their rush to make the Education Department look bad and make other people look bad and on and on it goes. These kinds of things are done.

Madam Speaker, that, coupled with the exodus of people from the Ministry as more and more consultants come in, has us worrying again. How is it that the Deputy Chief Financial Officer—a young Caymanian—went to university to train for it is now gone? The Deputy Chief Officer is also leaving—another Caymanian. Help is surely on the way.

Madam Speaker, it is said that an Early Year Unit is being established and will have a complement of five staff, including a senior inspector who will head the unit. I understand this person does not have the qualification the officer leading the unit now has, who this country and I know to be a credible person. Moreover, she—the one coming in—does not know the culture of the people, and what fits the United Kingdom, Madam Speaker, or any other country, certainly does not fit the Cayman Islands.

Now, Madam Speaker, to make matters worse, the present Head was never included in all the planning (as I understand it) that took place, the Department was not included and now is being told that she has to work under this less-qualified person and train them. It really, really stinks to high heaven! As far as I am concerned, they are running nothing but an old animal-farm experiment and the children of this country will be the losers. Change, yes. There have to be some changes. A lot of people do not like change, Madam Speaker, but we all know that we have to be careful how we go about making those changes.

If the Education Department is to be dismantled and thrown all over, the Government then comes with better, because so far some of these things do not add up. Do not add up. I say it again because I am not afraid because it is the truth: they have the wrong person. The Minister is not an educator himself. He is a trained lawyer, yes. That might even make things worse, I do not know.

[Laughter]

Hon. W. McKeever Bush: However, Madam Speaker, the person that they have, and surrounding constantly with these people—consultants, consultants, consultants—and the young Caymanians that try to get into the Ministry and do a credible job, and the senior ones that we know can do the job!

Oh, but that Dinwiddy . . . Madam Speaker, I do not have a motion so I cannot criticise too heavy, but I can tell you he did a lot of damage to this country. Yes, he might have helped get the UDP (United Democratic Party) out of office, but you can believe he did a lot of damage to this country. I will forever be thinking about him and hope the cold really deals with him properly.

Madam Speaker, as long as the Government is moving in the right direction, they will have my support. I have said that over and over again. It is a fact. They can criticise me, they can try to make everything that I have done look wrong, and I guess I will have to defend myself and give reasons why I did what I had to do. But for God's sake, Madam Speaker, they cannot continue on the way that they should go.

Madam Speaker, they asked me if I am going to vote against the Budget. I have been here many, many Budgets and Throne Speeches. I am not going to vote against any Budget because there are things in the budget that you support, so you do not walk out unless it gets really disruptive and that sort of thing.

[Inaudible interjection]

Hon. W. McKeever Bush: Oh, you did it! I know you did it. But I do not expect any better from you.

Madam Speaker, I am not going to vote against any budget; I have never done that. I am not going to do so and I am not going to tell my colleagues to do so because there are good things in the Budget: road works that we support; some of the things that the Minister of Education is trying to do, the high schools and all of this. I do not know though, I must say, and I ask the question: which consultant tells him that four schools in one up there with walls and fences, and all this sort of thing, is going to be less expensive and the right thing to do? I am concerned. I am waiting to hear answers to those kinds of questions.

Nonetheless, there is work that the Minister has to do that we are going to support. Certainly, we are not going to do anything to try to stop the Minister

from getting the reforms that are necessary. You cannot come out though and say that things have not been done, that is the stuff that I am really against.

So we do not need to vote against the Budget because we are the Opposition; we are a responsible Opposition. There are good things in the Budget that we agree with, there are some things that are wrong, and I think the major policies and the direction they are headed in are wrong. While they may get a *Hip! Hip! Hurray!* today, Madam Speaker, a couple of years from now we will feel the pinch of this, and he who wears the small shoe will get the pinch. That is going to be all of our people in these Islands.

With regard to education in the United States, Madam Speaker, they have school districts, and perhaps we need centres that will work with the schools in order that the schools can perform better. That is the kind of thing that I am waiting to see how the Minister will get along with it. However, he just cannot keep throwing away—and we are losing teachers, we are. I have a question in and I would have hoped to have had that question would have been answered before I came to debate, but that is the game of politics. It is pertinent to how many school children and teachers are leaving and how many are coming back, how many principals are gone and what are the reasons if they are going. These are the kinds of questions, Madam Speaker.

Madam Speaker, there is a study on poverty and I know my friend, the Minister of Health, has a tough job to do when we deal with the social development of this country. I do not know that we need a study to tell us what the plight of our workers is like because certainly they are worse off in this last year when the cost of living has grown so high. However, I too await that study to see. I do not think they can tell us anymore than we already know, but let us get it and then we should have empirical evidence as to what is needed.

Madam Speaker, social development in this country is not easy. It is not easy in the best of times, and you can throw money after it and sometimes it does not even pan out or get anywhere. Again, we are going to work with the Minister and do whatever we can from our end. We are not included in most things, but as the Opposition we will at least give moral support where we can.

The problem, as I said earlier—and perhaps we may need to set an example in this House and cut our own salaries when we look at the plight of our workers, Madam Speaker, whose status in life is getting worse. That is probably a cliché at this point, but perhaps we should look here, as Members of the House and Members of the Cabinet, to cut our salaries and raise the salaries of civil servants to an appreciable level.

Madam Speaker, governments come and governments go. Civil service stays with us, so, Madam Speaker, we have to be ever mindful of their working conditions. However, I am sure they under-

stand the plight of the country, and even when things are painted so rosy, I know that civil servants will rise to the challenge.

It is hard, yes that we are paying out so much money for rent. Sometimes, Madam Speaker, you do not move unless you can do better and you do not move unless you can afford to or unless you do not have . . . what I am trying to say here, Madam Speaker, is that you do not just go and build because you can get the money. You have to prioritise. We can want this court building and we can want that building. The main priority this country has right now (and has had for sometime and no one denies that) is education. That is why we are supporting the Minister in most of what he is trying to do. Roads, yes, but again, there are alternatives and we should look at them.

[Inaudible interjection]

Hon. W. McKeever Bush: You can say anything—and I believe you will, knowing you!

Regarding health, Madam Speaker, we have built a first-class hospital. If you go back to the *Hansard* . . . you may have been here in those early days, Madam Speaker, when I said that yes, building a building is one thing, but getting the services and paying for those services is another thing. Up until now there is that problem that you have. They talked about it was the best thing in the world to go back to an Authority. I bet you one thing, Madam Speaker: that some of them do not want to sing that song now. I bet you that.

Governor Gore told me, *'You cannot put this into an authority. Your country will not work with health like that and it will take years.'* This is ten years later and it is still not working. I think the Minister of Health will tell you that no matter who they put as chairman—they can put a pastor, an accountant, they can put who they want—it is simply because our people over the years have been so used to not paying, and today health care has become so expensive.

I hear people calling, *'No, no, it is not time to cut this now. Do not tell me it is time to cut off the switch. My relative is not going to die now. Do not tell me that.'* It does not matter what the doctor says because either direction you go, Caymanians would rather go overseas because they feel more comfortable.

How are they going to change that? Certainly not by me going there! I think my colleague said that. I go there. What I am saying is, no matter how many of us go there that is not going to change the culture for Caymanians because they do not have that confidence; and they are wrangling and jangling, which the public sees and hears amongst staff and administrators. It does not leave that confidence.

We have poured millions of dollars into it, Madam Speaker, over the years. We need it and there has been improvement. The study—and I keep coming back to this—is not something new to this country.

It might have been forgotten, but Ernst & Young told us in a study, *'Why do you not build a hospital? Why do you not do these things? This is how much is going to, and has gone, probably five times, ten times, twenty five times much more costly than that.'* So we can blame administrations as they come and go, but no bricks and mortar in this world is going to make a better health system.

Madam Speaker, I thank you for your indulgence. I think I should say that I might have said in regards to Cayman Brac that Captain Charles Kirkconnell—I mentioned Captain Charles Kirkconnell and Ms. O'Connor-Connolly in regard to the improvements of Cayman Brac. However, I can also mention the late Captain Mabry Kirkconnell (the former Speaker of this House), who tried long and hard to get benefits for Cayman Brac and I would not want anyone to believe I was just not mentioning his name.

Madam Speaker, I knew they were going to shut down the debate this morning, but I know they will be quick to rise after I sit down. I wait to hear what they have to say on their Ministries and I hope that they will not spend their time embellishing anything in regards to the past government.

The Speaker: Does any other Member wish to speak?

The Honourable Minister responsible for Education.

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

Madam Speaker, I rise to offer my contribution to the debate on the Budget Address delivered by the Honourable Financial Secretary, the Third Official Member, on 28th April this year and the Throne Speech delivered by his Excellency the Governor, Mr. Stuart Jack, on the same day; and the Policy Statement delivered by the Honourable D. Kurt Tibbetts, Leader of Government Business, entitled "Keys to our Future: Leadership, Compassion, Prudence and Vision."

Madam Speaker, the Budget before this Honourable House forecasts a surplus of \$32.5 million for the fiscal year 2006/7, and that is so even after budgeting a further \$2 million of extraordinary expenditure to provide additional relief assistance for those who are still suffering from the effects of Hurricane Ivan.

That surplus, Madam Speaker is calculated by subtracting total operating expenses of \$395 million; \$12.6 million of interest and financing expenses, and \$2 million of extraordinary items from the forecast operating revenue of \$442.1 million. It is the biggest budget ever presented to the Legislative Assembly of these Islands. Included in that figure is a projected \$130 million of capital expenditure. The Budget also proposes borrowing of up to \$94 million during the course of this year, to support the capital projects of the Government.

Now, Madam Speaker, as the Leader of Government Business has said, this is very ambitious. However, as he has also said, it is absolutely necessary to address the infrastructural needs of this country which have been neglected by successive administrations, but particularly by the last administration, led by the Honourable Member who just sat down, having wrongly criticised the Budget and virtually every Member on the Government team and for good measure, taking some underhanded punches at senior civil servants, but particularly the good lady who is the Chief Officer in the Ministry for which I have constitutional responsibility. Madam Speaker, that is the way of the Leader of the Opposition and that, in large part, is why he is the Leader of the Opposition.

Hon. W. McKeeva Bush: Yeah.

Hon. Alden M. McLaughlin, Jr.: And that is, in large part, why he shall remain the Leader of the Opposition for quite some time to come. May he grow old and gray and feeble in that position.

[Laughter]

Hon. W. McKeeva Bush: No, I will not. No, I will not.

[Laughter]

Hon. Alden M. McLaughlin, Jr.: However, Madam Speaker, as is usually the case with any presentation made by that honourable Member, he was short on facts. There was an almost complete absence of detail wrapped up in a lot of bluster and accusations. However, the country has grown to understand over the course of 21 (almost 22) years that that is the sort of package you can expect from the Leader of the Opposition, so I have no doubt that the country will give it the credence it deserves.

When the detail is provided (as will be done by all Ministers and Members of Cabinet on this side), the country will see quite clearly whether or not there has been any basis for most of the things that have been said by the Honourable Leader of the Opposition. So I will, as we have done in the past, trust the good judgment and common sense of the people of this country to, as we say colloquially, pick sense from nonsense.

Madam Speaker, I am not sure why the Leader of the Opposition has spoken at the point that he did because there was some confusion on this part, and in the wider community, as to whether or not the Second Elected Member for West Bay had assumed the role of Leader of the Opposition. I believe the country—certainly on this side I know we breathe a collective sigh of relief, because we really and truly understand and believe, Madam Speaker, that for the Westminster system of government to properly function (and that is the system under which we operate), we do need a viable Opposition—an Opposition which has credibility, an Opposition that the country can take

seriously, an Opposition which will behave responsibly which will not just toss out accusations and make statements off the top of the head whether they have any basis, in fact, or not.

So when the Honourable Second Elected Member for West Bay got up—and we presumed that he was making the address on behalf of the Opposition—we all breathed a sigh of relief because we did not expect the Opposition to agree with everything the Government proposes. We did expect the Opposition to do what any responsible Opposition does, which is to provide another perspective. However, we did know (and I believe that his speech in this Honourable House bore that out), we did expect a measured and considered response, not the sort of garble which ensued from the mouth of the Leader of the Opposition when he carried on at some length earlier today, having just concluded.

However, I guess, Madam Speaker that we may have to wait a bit longer before there is proper leadership in the United Democratic Party and we have a credible Leader of the Opposition. We shall wait, Madam Speaker, because we believe that is a critical component that is absolutely necessary if the democratic process is to properly operate and if this country is to continue to develop into the liberal democracy which we are striving so hard to see created.

Madam Speaker, I certainly will not fall into the trap of spending the valuable time that I have in this Honourable House dealing with much of the nonsense uttered by the Leader of the Opposition, for it is critically important that I fill in the details in relation to the many projects, the many programs, the policies of the Ministry for which I have responsibility, and there are many subjects there. However, I do believe that I need to address some of the subjects which fall outside the scope of my Ministry and under the sort of broader purview and remit of the government as a whole because the Leader of the Opposition, and indeed to a lesser extent, the Second Elected Member for West Bay and his colleague, the Third Elected Member for West Bay spent quite a bit of time discussing the issue of immigration and (I believe somewhat irresponsibly) creating doubts about what the Government is proposing to do in relation to this issue. If indeed they have as much concern about the matter and about the future of this country as they say they do, I would have expected them, Madam Speaker—in the case of the Leader of the Opposition particularly—to accept responsibility for the mess that he created and left in relation to the Immigration Law, from which all of these problems spring.

[Laughter and inaudible comments]

Hon. Alden M. McLaughlin, Jr.: Rather than the Government having taken tremendous time and effort and the Leader of Government Business so ably articulating what it is the Government has done and is doing to address this critically important issue, no,

Madam Speaker, the Leader of the Opposition, as he always does, blames somebody else for everything. Everybody is responsible but him.

However, let me make this very clear, Madam Speaker: the Immigration Law, 2003 (which came into effect on 1st January, 2004), is a creation of the UDP Government. It was piloted through this House in an unprecedented manner—not by the Honourable Chief Secretary, the First Official Member (who would ordinarily have that responsibility), but by the Leader of the Opposition, who was then the Leader of Government Business himself. It is from that piece of legislation that all of the problems spring.

We have made one amendment to that law to address an issue at the last meeting of this Honourable House, so he can say whatever he wishes, those are the facts. That is not opinion. That is not anybody's view. That is the fact. If he had done what he ought to have done, which was take the necessary time to get the legislation right and not drive the people in the legislative . . . the legislative—

The Speaker: Council?

Hon. Alden M. McLaughlin, Jr.: Council.

The Speaker: Drafter.

Hon. Alden M. McLaughlin, Jr.: The legislative draftsman (I cannot remember the title, Madam Speaker) not to have driven the legislative draftspersons like slaves to produce something over night, we would not be in this mess that we are in. There would not be such uncertainty in relation to the immigration legislation. He would not have this platform to get up here and perform on, which is what he likes to do, throwing out all sorts of statements offhandedly with no regard to the facts, with no detail, blaming somebody else for everything.

[Inaudible comment by the Honourable Leader of the Opposition]

Hon. Alden M. McLaughlin, Jr.: He just, Madam Speaker, does not seem to understand that government policy is one thing, but government policy cannot go contrary to the law. Perhaps . . . in fact, many people, including myself, say that is how he operates. It does not really matter what the Law says. However, this Government cannot and will not operate in that way, neither will we, Madam Speaker, rush through the changes that need to be made without there having been careful thought, careful consideration so that we do not wind up, a year from now, back in another situation like we currently are, with great uncertainty and with people not understanding what the rules are. That is the kind of way he would operate.

[Inaudible comment by the Honourable Leader of the Opposition]

Hon. Alden M. McLaughlin, Jr.: That is the way he would operate, Madam Speaker, but that is not the way that we are going to operate.

[Inaudible comment by the Honourable Leader of the Opposition]

Hon. Alden M. McLaughlin, Jr.: Madam Speaker, a big part of the problem . . . and that is why I forgive him so much, is that he does not understand most of this, you know.

[Laughter]

Hon. Alden M. McLaughlin, Jr.: Because if he did, Madam Speaker, he would not say some of the things he does. He does not understand how the Law operates and how it is supposed to operate. He does really believe that the Chairman can go around assuring the financial services sector that this part of the Law will not apply to them. The Law does not say that, Madam Speaker. The law applies to everyone.

[Inaudible comment by the Honourable Leader of the Opposition]

Hon. Alden M. McLaughlin, Jr.: He continues to labour under these sorts of impressions, and he does not listen when those who do understand try to tell him so.

[Inaudible comment by the Honourable Leader of the Opposition]

Hon. Alden M. McLaughlin, Jr.: If he would stop mumbling now and listen, he might understand it and not make the mistake again.

Hon. W. McKeever Bush: Yeah. Carry on [inaudible].

Hon. Alden M. McLaughlin, Jr.: Madam Speaker, I am not going to spend any more time on immigration. The Leader of Government Business has set the situation out. I myself have met with people in the financial services sector. The Honourable Financial Secretary, the Third Official Member, has done likewise. My colleagues talk to people informally about the matter. We have made a Policy Statement about it, and we are endeavouring to bring the required amendments of the law to this Honourable House in July. We are working as hard as we can and we are striving to get it right.

We understand far better than I believe the Leader of the Opposition does, how critically important it is to get this aspect right. The business community has to be able to operate properly. It has to be able to get the quality staff and continue to attract the quality staff it needs to be able to continue, not just to exist but to thrive as it always has.

[Inaudible comment by the Honourable Leader of the Opposition]

The Speaker: Could we stop the cross-talk, please?

Hon. W. McKeever Bush: Yes.

Hon. Alden M. McLaughlin, Jr.: The legislation which is causing the problems, just so he understands (because he does not seem to), is legislation which the Honourable Leader of the Opposition—William McKeever Bush, OBE, JP—

The Speaker: Honourable Member, please, First Elected Member for the district of West Bay.

Hon. Alden M. McLaughlin, Jr.: The First Elected Member for West Bay (I am sorry, Madam Speaker) piloted through this House himself, he delivered the opening address introducing it, he wound up the Bill. His government put it through. They had sufficient majority to do so. He must accept responsibility for it and not try to blame other people. That is not, Madam Speaker, for me to try to say that the Opposition—

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: The Member is misleading the House, and I think he is deliberately saying that we tried to get out of the fact that we moved the Bill. I moved the Bill, I am not denying that. I have never. I am saying it is their interpretation and their policy and their campaign which they made all these promises and—

The Speaker: Honourable—

Hon. W. McKeever Bush: —and the first thing that he did, that is my point, Madam Speaker

The Speaker: Honourable Leader of the Opposition, that is not a point of order. We have ruled—the previous Speaker has ruled, I have ruled—there are no points of orders based on misleading. To say “to mislead” is to say that Members are lying and a point of order is on procedure.

Honourable Minister of Education, would you continue your debate, please?

Hon. W. McKeever Bush: Whatever you are doing, you are doing it wrong.

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

As I said, Madam Speaker, I could fall into the trap because he does have that effect on me, of going on interminably on this point, but I will not. I think all who are concerned understand exactly what the situation is.

I just want to say, Madam Speaker, that I am not suggesting and this Government is not suggesting that the basis for the legislation is wrong. We support it. What we are saying is, the problems with its operation—

Hon. W. McKeever Bush: Your policy—

Hon. Alden M. McLaughlin, Jr.: The mechanics of it are the result of a hastily drafted piece of legislation –

Hon. W. McKeever Bush: No, Sir, it took two years.

Hon. Alden M. McLaughlin, Jr.: – driven through this House with indecent haste, led by the Honourable Leader of the Opposition—

[Inaudible comment by the Honourable Leader of the Opposition]

Hon. Alden M. McLaughlin, Jr.: Who was then Leader of Government Business. That is all I am going to say about that, Madam Speaker.

The Speaker: Honourable Minister, I would consider taking the afternoon break at this time because I think you are going on to another point. Is that convenient to you, Honourable Member?

[Inaudible comment by the Honourable Leader of the Opposition]

The Speaker: Is that convenient to you, Honourable Minister?

Hon. Alden M. McLaughlin, Jr.: Yes. Yes, Ma'am

The Speaker: Proceedings will be suspended for 15 minutes.

Proceedings suspended at 3.25 pm

Proceedings resumed at 3.47 pm

The Speaker: Please be seated. Proceedings are resumed. The Honourable Minister responsible for Education continuing his debate.

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

Madam Speaker, over the break (and based on something that the Leader of the Opposition said to me in the common room), I was reminded that, in fact, the real reason why the Immigration Law, 2003 came through when it came through and at the pace it came

through, was that something had to be done by the Government in the aftermath of the Cabinet status grants, and that really was the impetus for the legislation at that time.

So when we sort of look, historically, at how this all developed, we come to understand why it happened when it happened, why it happened so quickly and why the proper thought and care did not go into preparing the legislation. It was just the time lines, or the deadlines imposed for the delivery of the legislation were just such that that kind of thought and analysis and careful consideration just could not be given to the legislation. Again, I lay all of that at the foot of the Leader of the Opposition, who was then Leader of Government Business, and his UDP Administration.

Madam Speaker, the Budget again [was] heavily criticised by all in the Opposition who have spoken and that perhaps is not surprising. You do not really expect the Opposition to say 'yea' to everything the Government proposes. I lived in the Opposition myself. Well, what one must do is look critically at what they say. One must look for consistency in their approach to these matters to determine whether or not what they say is really what they mean, or whether they are simply saying it because they are the Opposition. I spent a lot of time on this side smiling quietly to myself as I heard my good friend, the Second Elected Member for West Bay, roundly criticise the fiscal measures, the revenue measures which are being employed in this Budget. I listened to his very measured, very considered, very careful, very thoughtful articulation about how we have to be so careful about the financial services sector and the impact of new revenue measures and what it does to downsizing and—what is the other expression—"back-officing", a theme which was picked up also by the Leader of the Opposition.

All of those things are true, Madam Speaker. There is no question (and the Government recognises that) that a point will come when Cayman may become too expensive a destination, or a jurisdiction in which some businesses operate if we are not careful; and that in weighing up whether or not business goes into a particular jurisdiction or they set up offices, international operations do look at a wide range of things, and certainly the cost of doing business in a jurisdiction is a major factor.

The Government recognises that, the Government is sensitive to that, which is why the Government, unlike the UDP government, went to the private sector well in advance of this Budget process and said to them, as early as December 2005, we needed \$25 million in additional revenue measures to fund the capital projects which the Government proposed to introduce in the fiscal year 2006/7. We held a meeting of the Private Sector Consultative Committee. Just about every affected sector of industry was present. We told them that we proposed—that is, in broad terms—and we asked them for suggestions and rec-

ommendations as to where this money could actually be sourced.

Some of them did a marvellous job of making proposals. I particularly would like to commend the Cayman Islands Law Society and the accountants and indeed CIREBA (Cayman Islands Real Estate Brokers Association) for the contributions that they made. There were some—and the purpose of this is not to be critical—who were, quite frankly, uncooperative, made absolutely no suggestions except to say that Government needs to restrict its expenditure, but at the same time, accepting and acknowledging that we need more roads, we need more schools, we need more of the various infrastructural improvements. So it is easy to say no, it is easy to criticise, but the job of the Government is to make the assessments, exercise its judgment, find the funding, balance the Budget and carry through the capital projects which are necessary. To do otherwise would be irresponsible.

What this Government did not do, and what this Government will not do, is what the Second Elected Member for West Bay did on 10 December 2001, if I remember correctly, when he was defending the UDP Government's \$55-million tax package (ours is just over \$23 million), in which, among other things, Madam Speaker, he proclaimed that the financial industry had gotten away with murder for years. I have it all here, but I am not going to spend time reading from the *Hansard* of this Honourable House. I am just reminding this Honourable House and the listening public that when you hear the Second Elected Member for West Bay so convincingly make the case about the importance of the financial services sector and how the measures which are being employed by this Government are so deleterious, and they are going to drive away business and all of that; when his government was pushing through without consultation a \$55-million tax package, most of it aimed at the financial services sector, he said they ought to be the ones that paid the domestic, economy could not manage it. 'We have got to stop targeting tourism and licensing of vehicles and all of these things that affect the so-called "little man".'

[Inaudible interjection]

Hon. Alden M. McLaughlin, Jr.: So, Madam Speaker, as I say, I am not going to spend the time to read all of that, but for those who are interested, it is in the *Hansard* of this Honourable House. It is the 10th December 2001.

So I want those who might have been impressed by the stance taken by the Second Elected Member for West Bay about the impact of these on the financial services sector to bear in mind that either he has had a very great change of heart since 2001 (which I suppose is possible) or he is being (I am trying to be careful) somewhat disingenuous in the approach he has employed in his debate at this time on this Budget.

The other point I want to make—and this is in relation to not just what he said but the Leader of the Opposition and the Third Elected Member for West Bay as well—is that we have proposed a \$130-million capital budget. With all of their \$55 million of tax measures, I ask them to point to some significant capital project that came as a result of all of that.

When the Leader of the Opposition and the rest of them get up and complain about this Government's operation and achievements, we have not done a year yet. They had three-and-a-half years, not counting the year before they booted you, Madam Speaker, out and the Honourable Leader of Government Business out. If you include that—and the Leader of the Opposition was there for the whole of that time—that is four-and-a-half years they had. Measure their achievements over that period against what we have done in less than a year. That is what I want them to do. I want them to make those sorts of comparisons.

The Leader of the Opposition is fond of reading recitals of what he claims to have achieved over the course of 20-something years. That is history. It is good. I would never suggest that he has not made a contribution. Any person who comes in this Honourable House and applies themselves makes a contribution, and I am not, and I will never seek to demean that. However, it is he who has invited the comparison, and I challenge him and anybody else in this country to compare what they achieved in three and a half or four and a half (however you cut it) years and what this Government has done in less than one. That is the measure. That is the measure that ought to be employed.

Now, Madam Speaker, let me get to my responsibilities under the Ministry—and I am disappointed that the Leader of the Opposition has left the Chamber because in all I said, I did not intend to drive him out of the Chamber, I did not intend to beat him into submission. I thought, perhaps, Madam Speaker, he might derive some benefit—

[Inaudible comment and laughter]

Hon. Alden M. McLaughlin, Jr.:—some edification from some of the things I wanted to say, because he (and anybody who has been convinced by what he has said) needs to be disabused of much of the nonsense that he has said, and so many of the completely wrong statements that he made.

Madam Speaker, the Ministry, since I assumed responsibility for it and since we also obtained the benefit (and I say that advisedly) of the new Chief Officer, Mrs. Angela Martins, has placed research driven decision making at the core of the Ministry's operations. Research now forms the basis for policy decisions at both the ministerial and departmental levels. The research that we are doing, and will continue to do, consists not only of utilising statistics and trends to formulate policies, but also places an emphasis on the examination and implementation of international best

practices, in order to improve the efficiency and effectiveness of services offered by the Ministry.

To complement this new stance the aggregate will be sharing information for the encouragement of research projects being conducted by students at all levels: the private sector, local organisations and international institutions. This research taking place within and outside the Ministry will help to usher in a new era in the Cayman Islands where relevant information is freely available and utilised to the fullest extent possible. We cannot, Madam Speaker, continue, as has been the case for so long, making decisions [or] making judgments without any statistical basis for doing it.

Madam Speaker, the progress made with the student transportation services tender process can be attributed to a review of all procedures that have been completed in recent months. The invitation for contractors to bid for student transportation services was in the press during the week 24 - 28 April, and as of 1st May tender packages are available to be collected from the Ministry. The new system that has been developed will allow for contracts to be awarded in a non-discriminatory manner and will allow successful contractors sufficient time to make preparations to fulfill the contract.

The tender process for awarding the Cayman Brac High School canteen contract is a first for the school. The Ministry was conscious and took into consideration the unique situation with Cayman Brac. This consideration allowed for flexibility while also adhering to the necessary standards that maintained a student focus. The entire process is to the stage where the Ministry Tenders Committee has had the tenders evaluated, the most important—nutritional value and all other criteria—and will be notifying all tenders of their decision shortly. It is envisioned that the successful tender will commence operations of the canteen in the middle of May.

In order to allow adequate time to commence operations for the new school year, advertisements for the invitation to tender for canteen services on Grand Cayman will be in the media shortly.

The National Pensions Office, Madam Speaker, and the National Pensions Board will continue discussions on the need for changes to the National Pensions Law. The areas of Law under review include the underlying policy to the Law, investment regulations and the administration of the Law. Upon appointment of the new Pensions Board, these discussions will be finalised and recommendations made for improvements to the Pensions Law.

A tender for expert actuarial and investment consultants has been prepared and advertised. This has been identified as a key strategic tool for the National Pensions Office in its future management of the provision of pensions in the Cayman Islands. It is anticipated that the background work in this area will bear fruit in the forthcoming year with the production of a

report which will inevitably influence the future direction of policy in this area.

The National Pensions Office, in consultation with participants in the private sector, is looking at the feasibility of registering offshore pension plans in the Cayman Islands. These types of pension plans, for the most part, would cover internationally mobile executives of international corporations or high net-worth individuals. This is a product that is currently offered in other offshore financial jurisdictions; and offering the ability to register these types of vehicles will therefore complement and expand the range of financial services available through the Cayman Islands.

The inclusion of coverage for these types of vehicles would have no effect on the domestic pension plan market. This report has now been finalised and will be placed before Cabinet, with a view to amending the existing Pensions Law and establishing regulations in due course.

The National Pensions Law has been in effect since 1998, and the pension system here in Cayman has evolved to the point where the majority of workers and their employers belong to one of six multi-employer pension plans. The fee associated with the registration and renewal of pension plans has remained static since the introduction of the Law. The fee is the same for a plan of 500 employees or a plan of 5,000. Consideration is being given to updating and rationalising these and other fees under the National Pensions Law in a bid to putting the National Pensions Office on a more sound, financial, cost-recovery footing.

The National Pensions Office continues to work diligently on the first prosecution under the National Pensions Law. Moreover, the National Pensions Office is also vigorous in its attempts to ensure compliance with the provisions of this Law. In many cases, the interventions of the National Pensions Office have resulted in outstanding contributions to pension plans being paid without the need for legal recourse. Indeed, Madam Speaker, over the last year funds secured by the National Pensions Office for this purpose—that is, money that was outstanding, and employers had to be “encouraged”, if I may use a euphemism, to pay it—have been in excess of CI \$1 million. Where necessary, however, the National Pensions Office has identified persistent serious offenders under the Law, with a view to commencing legal proceedings. This work would be assisted by the appointment of a second Pensions Inspector which has recently been secured.

The National Pensions Office is aware that there are employers and employees in Cayman Brac and Little Cayman who may need their services, and with a view to establishing regular contact with them is seeking to initiate visits to Cayman Brac and Little Cayman.

The National Pensions Office released its website in December of 2005. The next update of this site should include a table outlining the historical Cayman

Islands prime interest rate, along with a monthly average that is to be used in the calculation of interest on amounts owed to pension plans. It may be wrong, but we believe this to be the only on-line reference to the Cayman Islands prime rate.

The National Pensions Office has continued to work on its internal processes, procedures and controls to automate data access and storage where feasible, so that the necessary management information is available to those that require it on a timely basis. This should enable the National Pensions Office to provide a more effective service in the upcoming year. A good deal of work continues to be undertaken on revising the guidance notes that accompany the Law and its regulations. These notes will be rolled out over the course of the next year and will most likely be available via the website as well. They will provide guidance to employers, employees, planned providers and administrators in their interpretation and compliance of the National Pensions Law. So much for the National Pensions Office, Madam Speaker . . .

Department of Employment Relations: The Department of Employment Relations will undergo a technical review, with a view to upgrading its services in order to provide increased levels of proactive service to clients. Work is currently underway to select a person with appropriate expertise and experience to undertake this task. A major focus for the Department will be occupational health and safety across all industries. The Department will work with the private sector to establish appropriate standards and with a view to training employers on best practice in respect of occupational health and safety.

The establishment of a labour market information system alongside the occupational-weighted survey will assist the Department in assessing demand within the labour market. In addition, the establishment of a national human resource management system incorporating informational scholarships and job seekers would enable the Department to take a more strategic look at human resource planning in the Cayman Islands. The Department, in conjunction with the Education Department, intends to take further steps in developing its TVET (Technical Vocational Education and Training). In addition, work is underway to establish an overarching policy on apprenticeship with the assistance of various stakeholders, including the Department of Tourism and the University College. This is intended to increase employability and to create career opportunities for young Caymanians and long-term unemployed.

I should also add here, Madam Speaker that I have had a very useful meeting with the executive of the Cayman Contractors Association (CCA), and they are also keen to become involved in this apprenticeship programme.

The Department continues to work to increase the awareness and uptake of investors in people, both within the private as well as the government sector. The Department will seek wherever prudent to engage

in interdepartmental cooperation with other government entities to achieve its goals including, for example, ongoing work with the Prison Services to improve its rehabilitation strategy.

The Department is committed to the support of an effective labour tribunal system. Training for the Cayman Brac Labour Tribunal will shortly be provided and new labour tribunals for Grand Cayman and a labour appeals tribunal will shortly be appointed.

Libraries: Madam Speaker, most of the year 2005/6 was devoted to the restoration of library buildings damaged by Hurricane Ivan. The North Side and East End libraries are completely restored (although I have to say we have a newly discovered problem with mould at East End again, which we are trying to remediate), while the George Town Library is nearing completion and is scheduled to reopen in June this year.

In the year ahead, Madam Speaker, a plan to upgrade the Bodden Town Library is underway, with the addition of an activity and literacy room for children and adults. In an effort to contribute towards strengthening the family and the community, this addition will facilitate programmes to include computer literacy, reading, stories, local craft and general life skills.

Completion of the West Bay Library is scheduled for next month, and it is proposed to be open to the public in July of this year. For the first time (and I hope the Leader of the Opposition is happy about this) the West Bay residents will have a facility for the provision of public library services for life-long learning, literacy, recreation and informational needs of the community and it is happening, not under a UDP administration with four Elected Members for West Bay, including the former Leader of Government Business, but under this PPM administration—

[Inaudible comment by the Honourable Leader of the Opposition]

Hon. Alden M. McLaughlin, Jr.:—which the Leader of the Opposition and others continually complain is anti-West Bay.

Hon. W. McKeever Bush: (Inaudible) anti-West Bay (inaudible).

Hon. Alden M. McLaughlin, Jr.: Madam Speaker, priority is being given to the restoration of the remaining libraries damaged by Hurricane Ivan, but the hurricane set back the construction of the George Town Library addition. Construction is now scheduled to commence in early July, to be completed in 2007.

The Public Library Law urgently needs to be updated. This Law has been around, Madam Speaker, since the 70s. To meet the current needs of the library service, at the moment the Law calls for the Library Management Committee to manage the day-to-day operations, but in actual fact, the library operates as a

department of government. This is an untenable situation and must be put right as a matter of urgency.

The National Gallery: Madam Speaker, the mission statement of the National Gallery of the Cayman Islands is to promote and encourage the appreciation and practice of the visual arts often in the Cayman Islands. To this end, the National Gallery, in this fiscal year to come, will continue to provide six educational exhibitions of visual arts, stewardship of art collections and an art and design library of research materials including books and magazines and DVDs. It will continue to keep membership and volunteer programs and an artist database. The Gallery also operates 22 weekly or monthly programmes, both educational and outreach, and 12 annual events. This work is done with seven staff, eight volunteer staff, called "*Friends of the Gallery*", and a volunteer management board at two locations: at Harbour Place and Bay Town Plaza (formerly the Merren's Plaza), as well as in various schools, prisons and government and corporate private and public institutions.

Over the course of this year the capital fundraising campaign will be launched. OA&D Architects (Office for Architecture & Design), Danny Owens, has agreed to design and project manage the construction of the new National Gallery building, which has a completion date slated for January 2008. They have asked Government to match the funds raised by December of this year. The director and board have been fundraising up to \$150,000 annually for day-to-day programming and operations at the Gallery and that continues. Over the course of this year they will continue developing an exhibition schedule for 2008, inviting local artists to become guest curators and also holding forums to encourage open and forward-thinking dialogue on visual arts development and display.

The National Museum: Madam Speaker, over the course of this year, the museum has been in recovery mode. Having been quite hard hit by Hurricane Ivan, the old Courts Building was re-roofed and a new air conditioning and security system installed. About 45 per cent or 3,000-plus objects of the national collection of artefacts, art documents and other materials were stabilised after sea water flooding, moved to a new site, new storage units were built to house them and the collection documentation digitised. New signs for the Maritime Heritage Trail were manufactured and the 36 in Grand Cayman installed. The 16 on Cayman Brac and Little Cayman will be installed by year end. The Maritime Heritage Trail data, along with the data for the inventory of archeological sites, was scanned and digitised with the support of Maritime Heritage Trail partners and volunteers.

Administrative arrangements for the McCoy Prize, Cayman's premiere visual arts competition, were revised and implemented and the venue is now being made ready for the exhibition opening on 25th May. The museum shop continues to serve as the key information centre to approximately 145 visitors per day,

as well as a principal outlet for local artists and crafters.

Over the course of this year to come (2006/7), the museum's broad outcomes include: seeking to fully reclaim its integral position as a leader in the preservation and awareness of Caymanian heritage and culture; to reassert its efforts to fully portray the impacts of the diverse influences on our evolution, including natural and human history and contemporary issues. Specific goals include: repairing and re-fitting the old Courts Building and re-opening the National Museum to the public; completing the full-scale conservation of the 3,000-plus objects flooded in Ivan; to lead the partnership including National Archive/National Trust/Department of Environment in the establishment of the first in a series of national shipwreck preserves; and collaborating with the Department of Tourism and others in marketing these and other cultural manifestations of our Islands.

Madam Speaker, the Department of Youth and Sports continues to provide the youth of the Cayman Islands with an awareness of issues affecting them through various education and decision-making forums. The monthly youth meeting resumed in September 2006. Topics presented ranged from youth input on the new education reform, to relationships, nutrition, the National Youth Assembly and the Youth Workers Association. The weekly Youth Flex radio show allows youth to have more input into the topics discussed, and the level of flexibility and relaxed atmosphere affords a sense of ownership and is conducive to training.

In addition, youth ambassadors are briefed and debriefed as they represent the Cayman Islands at various regional and international youth fora. Two representatives attended the Commonwealth Youth Forum entitled "Networking for Development" held in Malta, November of last year.

Presently, there are three official youth ambassadors; one for the Commonwealth Youth Programme and two for the CARICOM Youth Programme. These forums offer a valuable opportunity for our youth to observe and learn firsthand various protocols in a supportive environment and to make contributions based on their experiences and knowledge of issues in our community.

Future plans are for the Department of Youth and Sports to offer institutional strengthening strategies to the Islands' many youth service providers so the delivery and effectiveness of their programmes is maximised and the intended end user, the youth of the Cayman Islands, benefit.

In addition, the Department continues to provide as many recreational opportunities for the public as possible. It began its expansion of programmes with corporate recreational leagues, and now the Department is incorporated into scholastic sports, which is designed to improve the relationships between the various public and private schools, as well as increase the awareness and recognition of Cayman's promising

student athletes. The Department is also planning to run district community sports leagues when facilities have been repaired to necessary recreational standards.

The Ministry, through its community coaches, will be spearheading the first of its district sports-based school programmes in the district of West Bay. Again, I hope the Leader of the Opposition is listening. This will be led by Coach Roy "Huta" Ebanks. The programme will combine physical activity with homework help in an effort to develop the complete youngster. To this end, a satellite sports office is being established at the John Cumber Sports Field, which will provide: a counselling room; changing room, which is especially important for girls; office for the coach; access to the computers and the Internet. It is envisioned that with a proper office the district coach will be able to create files on all its participants and therefore be able to properly track their progress both physically and academically.

Madam Speaker, plans are also afoot to have such programmes in the combined northern eastern districts, and North Sider, Mr. Joey Ebanks, is working with us to see that happen, and also for a similar programme to be established in George Town.

Madam Speaker, the many sporting association programmes, our focus sports, will continue to be supported and directed by the Sports Department and the various leagues are expected to experience continued growth. An active society is a healthier, more efficient society which causes less strain on the healthcare system (which I know my good friend the Minister of Health will be happy to hear me say) and increases economical and societal productivity.

The Ministry, Madam Speaker, is also looking forward to hiring the services of a sports consultant, with a view to establishing a framework for the advancement and improvement of sports in the Cayman Islands. This consultancy will seek to:

- produce a national sports policy which seeks to balance the Government's current theme of "Sports for All" with the need to provide for the identification and full development of elite or potential elite athletes;
- to conduct an assessment of all sporting facilities providing best-used plans at district and national level;
- to liaise with the Education Curriculum Review Team in assisting with upgrading of the national curriculum for physical education in the Cayman Islands;
- to advise on best practice approaches to engage the Islands' community and sports as part of a healthy lifestyle;
- to engage stakeholders in the planning process towards an agreed approach to sports management and development across the Cayman Islands;

- to provide a systems approach to ensure the jurisdiction is in full compliance with all international obligations in respect of sports; and
- to produce an implementation plan for the Department of the National Sports Policy once approved.

Madam Speaker, what I can say about that is that the tender went out months ago, but it did not attract the level of interest which we liked and required. After discussions with a number of our colleagues internationally, we are now in the process of putting it back out to tender and advertising it in a number of other jurisdictions in the hope that we are able to attract the kind of expertise that this job does require.

Madam Speaker, another significant step is that we are proposing to separate the Department of Youth and Sports into a department of youth and a department of sports. While a full separation will not take place this year, we are doing a number of things including the physical separation of the staff, in order that by the start of the next fiscal year we should be able to have a separate department called "Youth" which will be distinct from the Department of Youth.

ADJOURNMENT

The Speaker: Honourable Minister, I can only assume you are going on to another subject under your Ministry, so I will entertain a motion for the adjournment of this Honourable House at this time.

Hon. Alden M. McLaughlin, Jr.: Thank you, Madam Speaker. I move the adjournment of this Honourable House until 10 am tomorrow.

The Speaker: The question is that this Honourable House do now adjourn until 10 o'clock tomorrow morning. All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. This Honourable House do now stand adjourned until 10 o'clock tomorrow morning.

At 4.27 pm the House stood adjourned until Friday, 5 May 2005.

OFFICIAL HANSARD REPORT
FRIDAY
5 MAY 2006
10.04 AM
Fourth Sitting

The Speaker: I call on the Third Elected Member for the district of George Town to say Prayers.

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 10.06 am

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

The Speaker: I have no messages or announcements.

I have received notice of a statement from the Honourable Minister responsible for Communications, Works & Infrastructure.

**STATEMENTS BY HONOURABLE
MINISTERS/MEMBERS
OF THE CABINET**

Reply to a Front Page Article Carried in the Cayman Net News Friday 28 April 2006 Entitled "Road for PPM Backers"—Mac"

Hon. V. Arden McLean: Thank you, Madam Speaker. Madam Speaker, on Friday, 28th April 2006, the *Cayman Net News* carried a front-page article entitled "Road for PPM Backers' — Mac". I feel compelled to reply to that article and dispel the accusations made therein by the Leader of the Opposition.

Madam Speaker, the Leader of the Opposition continues to demonstrate his uncanny ability to misrepresent the facts since being rejected by the people of this country. I can only conclude that this is his way of trying to win favour with the people. However, Madam Speaker, he must know by now that I will not allow him to spread propaganda without this country knowing all the facts.

Madam Speaker, the writer quoted the Leader of the Opposition as saying, and I quote, "**They're not building that road for the people of West Bay, they're building it for two of their biggest supporters. Without that road their businesses would not get off the ground.**" Madam Speaker, such statements are downright disingenuous.

The Leader of the Opposition knows (and if he does not he should investigate before he opens his mouth) that the development he is referring to will not have access onto the bypass. Giving access to the developments along there would defeat the purpose of the road. Having said that, Madam Speaker, it would be interesting to know if the Leader of the Opposition would have refused to build a road if his party was returned simply because two alleged PPM (People's Progressive Movement) supporters were involved in that project.

Is this the man who claims his undying respect and love for the people of West Bay? Is he telling this country—in particular, West Bayers—that he would not try to relieve them of the traffic woes because two alleged PPM supporters had a development along the West Bay Road area where it is more suitable to build that road? Or, can we assume that he is bitter because he is no longer in the driver's seat—like he was when the Ritz-Carlton was being built?

The Leader of the Opposition should not for a minute think that the people of this country, or I, have forgotten that these same two gentlemen were his trusted advisors during his tenure as Leader of Gov-

ernment Business. The question is: What has caused him to fall out with them?

Madam Speaker, let me now turn to yet another of his misrepresentations of the truth. The article again quoted him as saying, **“We started that road and left money there to take the road to West Bay. When we left office there was \$90 million there.”** Madam Speaker, for the benefit of this Honourable House and the listening public, please allow me to set the record straight. Three million dollars was budgeted in the 2004/5 Budget, of which only \$486,177 was spent on the Hyatt roundabout, unrelated to the actual extension currently under construction. The extension from the Hyatt roundabout to Lime Tree Bay was not gazetted until 5th May 2005. And just in case the Leader of the Opposition does not remember, the General Elections were held on 11th May 2005.

The PPM Government budgeted an additional \$3 million before the end of June and commenced work shortly thereafter. We (that is, the PPM Government) gazetted other needed sections twice since then; one on 15th November 2005, and the other in March 2006, which has resulted in the bypass being gazetted up to the former Indies Suites. Madam Speaker, if the Leader of the Opposition and his colleagues were interested in building the bypass to West Bay, it would have been gazetted during his tenure as Leader of Government Business. We can only assume that he was again taking the people of West Bay for granted.

Madam Speaker, I will not promise the people of West Bay that the PPM Government will build the bypass into West Bay during the remainder of our tenure, but what I will promise today is that I will have it gazetted to ensure that it is reserved for future construction and we will finish it in the second term.

[Laughter]

Hon. V. Arden McLean: Up until March of this year, Madam Speaker, this Government has spent \$1.7 million on the same bypass that the Leader of the Opposition neglected to build, with an expected expenditure of some \$10 million by the end of this financial year. The 2006/7 Budget that is currently being debated has an additional \$2.4 million for the completion of this section.

Those are the facts and that is what he should be singing praise about rather than misrepresenting the facts.

Madam Speaker, the *Cayman Net News* went on to further quote the Leader of the Opposition as saying, **“They took money from Education just to rush the road so that the people of West Bay and George Town could get access to their supporters’ business.”**

Madam Speaker, when we transferred money from the capital budget for education we came to Finance Committee—a transparent requirement that was never conducted during the UDP tenure. We told

the people then that their children’s education would not suffer as a result, and it has not. Further, Madam Speaker, our campaign to the people of this country was that we would make education a priority, and we have. The Leader of the Opposition needs only read the Budget that was presented to this Honourable House on Friday, 28th April 2006, if he wishes to understand how running a country is conducted.

Madam Speaker, the 2006/7 Budget makes provisions for more than \$48 million in capital expenditure on education. We trust that the Leader of the Opposition will support this initiative for our children. We have kept our promise to make education a priority and we will continue to do so—unlike the UDP administration that made a total mess of not only education but also the entire country.

Madam Speaker, we are also cognisant of the fact that other areas need attention. We are addressing those also. I am personally disappointed, and so too should the country [be], that Father of this Honourable House cannot set a better example. Surely, Madam Speaker, he cannot expect to get any mileage from this one.

Thank you.

GOVERNMENT BUSINESS

Debate on the Throne Speech Delivered by His Excellency, Mr. Stuart D. M. Jack, CVO, Governor of the Cayman Islands, together with the Second Reading debate on The Appropriation (June 2006 to July 2007) Bill 2006 (The Budget Address), Delivered by the Financial Secretary, the Honourable Third Official Member, on Friday 28 April 2006

(Continuation of debate thereon)

The Speaker: Honourable Minister of Education.

Madam Clerk, could you inform the Honourable Minister of the time remaining for his debate, please? *[Pause]* Honourable Minister, the remaining time in your debate is one hour and three minutes.

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

Madam Speaker, when the adjournment was taken yesterday, I had almost concluded what I wished to say at this stage about youth and sports. There are two other important items that I ought to mention.

We have to bear in mind, Madam Speaker (and I, in particular, have to bear in mind), that while there is so much to be said in terms of detail, I have a limited time in which to give a broad overview of where the Ministry is and where the Ministry is proposing to go over the course of this year. So, Finance Committee will be the time, really, for us to be able to go into more detail about the various components of the Ministry and the various projects and programmes in some more detail.

However, on the youth front, I think it is important for me to say that the tendering process for a consultant to review the National Youth Policy and help to develop an implementation plan has just about been completed. The matter is now with CTC (Central Tenders Committee) for the decision to be taken as to who that individual will be. I am looking forward for that appointment to be made during the course of this month and for us to get the individual in so that we can carry out this very important work.

The National Youth Policy was adopted in 2000, and is in need of some revision. But, more importantly, no implementation plan was properly developed so that many aspects of it are sitting in limbo. We have a National Youth Commission, but that commission actually had no legislative basis and therefore very limited authority and power to do anything. It is simply a creature of statute. We need to sort those important matters out, and I am very hopeful and optimistic that with the consultant on board we will be able to move the National Youth Policy forward. It is critically important. I do not think anybody needs to be convinced about that.

On the sports front, Madam Speaker, I should say that in addition to the Government continuing grants to many of the sporting associations and organisations in Cayman, we are also moving forward with the repair and renovation of the Truman Bodden Sports Complex, the laying of a new track there and the construction of a boxing gym, which is something that has been talked about for many years. Those who love that sport have persevered in Cayman in some of the most abominable conditions that you could conceive in terms of what they use for a gym.

I met recently with members of the Boxing Association and we talked about the way forward, and I discovered that there had actually been plans developed under the last administration, quite good plans, but no money has ever been put forward to fund it. So, in this year's Budget we are putting forward some \$0.25 million dollars which we believe should be able to complete that project. It is going to be up at the Truman Bodden Sports Complex over on the (I shall say) far side, and will utilise some of the changing rooms that have essentially been disused for a long time.

We are also moving ahead, Madam Speaker, with the construction of the Jimmy Powell Cricket Oval which has been started for some time, and there is \$1.25 million in the Budget to deal with that. Importantly also, Madam Speaker, we have taken the decision to move ahead with the Cayman Brac Sports Centre, which when completed will bring to that Island a facility which will include an all-purpose building, changing rooming and a multi-purpose room. As part of the administrative area, there will also be a football field, a gymnasium and a running track at this stage. So, Madam Speaker, we are pursuing that with some vigor.

I believe, Madam Speaker, that is really all I want to say about those two matters in this particular

debate given the . . . I cannot say the shortness of time, because two hours is a lot of time, but there is a lot of things to cover given the time that I have.

I would like to move on now to talk about the Human Rights Committee. Madam Speaker, as everyone will know, a Human Rights Committee has existed, at least in name, for some time in this country and was chaired by my predecessor in office. However, that committee seemed to have fallen away. Very little was achieved during its tenure.

A new Human Rights Committee (HRC) was appointed sometime ago by this Government and is now firmly established, I believe, as the national body responsible for the promotion and protection of fundamental human rights. Following the establishment of a number of operational guidelines, the HRC is now set to make a positive contribution to good governance in the Cayman Islands. I believe, Madam Speaker, that it will be more effective, following the appointment of a deputy chief officer, who is a lawyer (an academic actually) with experience in international Human Rights Law. He has assumed responsibility in the Ministry for the administration of the HRC. That individual is Mr. Vaughan Carter, who was formerly senior lecturer in law at the Cayman Islands Law School.

The membership of the HRC has been drawn from both the public and the private sectors and represents a broad cross-section of Caymanian society. Although members of the HRC have experience in a variety of different fields, all members were appointed because of their particular interest in human rights. These individuals are now working in partnership for the advancement of human rights for all. This partnership is a positive example of public/private cooperation, which bodes well for the future success of the HRC.

The terms of reference for the HRC have been formulated in line with international standards for such bodies and ratified by Cabinet. These terms of reference empower the HRC to enhance public awareness of human rights, to serve as the focal point for the direction of any public human rights concerns and, where necessary, to make reports and prepare recommendations for the improved protection of human rights. Without terms of reference, the former HRC floundered for many years. The new HRC is therefore now able to move forward with clear objectives in the upcoming year.

The HRC meets on a regular monthly basis on the last Wednesday of each month. Whenever additional meetings are necessary, especially in emergency situations, all members have demonstrated their commitment to convening the HRC whenever required.

The HRC has additionally created two sub-committees: a procedural sub-committee and a public education sub-committee, which also meet on a regular basis in order to address specific needs that have already been identified.

The procedural sub-committee has been established to review complaints that are received by the

HRC and to assess, in principle, whether any of these conflict with international Human Rights Law. The HRC is currently dealing with seven issues that have been brought to its attention: Two cases have been found not to raise any human rights issues; one case has been settled amicably between both parties; and the HRC will shortly be reporting on one case that has been the subject of a two-month investigation. This, Madam Speaker, is the infamous Dr. Luarca Garcia issue.

The HRC has received cooperation from many branches of Government in its quest to resolve any human rights concerns in a prompt and friendly manner. This approach, the HRC believes, will best enhance a standard of human rights in the Cayman Islands, and the HRC will therefore look to cultivate a positive relationship with government entities.

The objective of the public education sub-committee is to publicise the concept of human rights and to inform the public of the work of the HRC. The HRC is currently attempting to source funds for a strategic public education campaign to further these objectives this year.

Madam Speaker, I now move on to education and again, I am disappointed that the two biggest critics of what we are trying to do in education—the Leader of the Opposition and the Third Elected Member for West Bay—are not in the Chamber. For having devoted substantial portions of their speeches to criticism (much of it unwarranted, in my view), I think it would have assisted them if they had been around to listen to what I have to say.

Madam Speaker, I do hope by now that the entire country is aware of just how untrue and unfair the accusation that we have diverted money from education capital works to build roads is. In reality, yes, that is what happened during the course of this Budget. But the reality is that we were unable to spend that money in this financial year. As I have said over and over again, because this is one government and not five we are able to sit down and regularly assess what progress is being made by the respective Ministries in relation to capital works and to move the funds around with the permission of this Legislature and Finance Committee, as is needed. I hope the fact that there is now \$48-plus million in this Budget for capital works for education and other Ministry works will be sufficient to stifle any further nonsense from those two honourable Members about this matter.

Madam Speaker, the Third Elected Member for West Bay also went on at some length to say that despite all of the concern which had been raised by the Government—and by me in particular—about education, that nothing appears to have been done and a year has just about passed.

Now, Madam Speaker, I know that the Third Elected Member for West Bay and the Leader of the Opposition did not attend the National Education Conference. They appear to be sleeping, I believe, or have their heads buried in the sand if they have not

seen and heard what is happening in education. I know the Leader of the Opposition is spending a great deal of time on his luxury yacht, but I believe that it must have the most modern communication systems and he should be able to at least hear on the radio what is going on if he is not in touch with this community otherwise.

However, Madam Speaker, in light of what has been said I will go through where we are right up until this point today on the various strategies that have come out of the National Education Conference and the Report. So, I hope, Madam Speaker, to dispel any further concerns which those Members may have—if they genuinely do have those concerns, and if what they have said is not simply politics.

Madam Speaker, the National Education Conference held in September last year was the largest consultative exercise ever undertaken in the field of education in the Cayman Islands. It involved teachers from every government school, representatives from pre- and private schools, current and past students, parents, the tertiary sector, the community and the media. Everyone! Even the Leader of the Opposition had an opportunity to contribute, but he did not show up at the conference.

The resulting conference, with over 650 delegates, worked extremely hard to identify the priorities for the future. The resulting Report, the “National Consensus on the Future of Education in the Cayman Islands” was adopted unanimously by the Legislative Assembly within seven weeks of the conference. The “National Consensus” document addresses the concerns raised by the delegates to the conference and outlines ten strategies to reform the education service in the Cayman Islands, and ensure that we take every opportunity to provide our students with the skills and abilities they need to compete with anyone else—not just in Cayman, but in the global community.

An Education Innovation Oversight Committee monitors the work of the various committees which have been established to carry through the various strategies to ensure consistency in relation to the work for the implementation of a coherent new education system that meets the needs of each student and addresses the economic development and human resource priorities of the Cayman Islands.

Strategy 1 refers to the review and reorganisation of the education service within the Cayman Islands. Considerable work has been undertaken to prepare a governance model that services and meets the needs of the students in schools in helping them provide the best possible education as opposed to the very hierarchical model that currently exists. This new model will take into account not just government schools, but private schools, a new Early Years unit, the Schools’ Inspectorate and the whole areas of tertiary and adult education.

It is the intention that this group, chaired by Mrs. Mary Rodrigues, Deputy Chief Officer in the Ministry, will present the new model for the governance of

the entire education system by the end of this month. It is a pity the Third Elected Member for West Bay is not here to understand some of these things so that he does not come back in here and recite the same old drivel again.

This will be accompanied by a detailed transitional plan to move towards adopting the new model in a controlled but timely matter. It is hoped that we will be able to start adopting aspects of this new model by the start of the next school year.

Strategy 2 refers to the review of the National Curriculum. This strategy is chaired by Mrs. Helena McVeigh, Chief Inspector of Schools. To support her over 50 staff from all phases of education, preschools, government and private schools, the tertiary sector and the private sector have volunteered to join this taskforce to review all aspects of the current national curriculum. These include:

- The values upon which we believe the curriculum should be based;
- The principles which schools, teachers and other educators will use to implement the curriculum;
- The outcomes which we intend all young people to achieve;
- The set of standards and learning outcomes that children are expected to achieve for each stage of their compulsory education;
- Details about how the students achievements will be assessed, both formatively and summative and what standardised tests and external examinations will be used;
- Programs of study for each of these subjects which outline what should be taught and how, in order that students are given every opportunity to achieve the standards;
- Detailed guidance for each of the subjects called "schemes of work". These will take longer to produce and may not be ready at the same time as the programmes of study;
- Detailed training, mentoring and support programmes to help teachers implement the new curriculum; and
- The list of resources needed to support the curriculum.

This is a major piece of work that will impact every student in the Cayman Islands. It is important that all the issues are considered carefully, with full regard to the many issues raised. The timeframe for this strategy group to report is by the end of the next academic year. This will allow a full year to do the necessary planning, staff training and identification of resources that may be needed prior to the new high school opening.

Strategy 3 involves the creation of an Early Years unit. This is a short-term project group chaired by Mrs. Kate Marnoch, Senior Schools Inspector Early Years. The strategy has already clearly identified the guiding principles, staffing structure and goals for the unit to ensure that all Early Years provision throughout

the Cayman Islands is of the highest possible standard.

A key aspect of this strategy will be to identify national minimum standards for early education and develop government run Early Years provisions, such as reception classes (where they exist), into centres of excellence where best practice can be modelled. This will allow ongoing training of Early Years workers.

Additionally, it is expected that staff from the Early Years Unit will spend considerable time in the field supporting all Early Years providers to consistently achieve Internationally Accepted Standards. More formal training of staff will also be vigorously undertaken. It is expected that the Early Years Unit will officially commence work on 1st June 2006, next month. With this opening the work of the Strategy 3 project group will be completed.

Strategy 4 focuses on the many human resource issues raised by delegates at the Conference. To meet the Strategy targets, a human resource unit was quickly established in the Ministry. The newly appointed Chief HR Manager for the Ministry commences work this month, and he will join the already appointed Deputy Chief HR Manager whose role is dedicated to education.

This has already made a significant impact on schools with all principals now being involved with the recruitment of their staff, including short listing and involvement in the interview process. Previously in primary schools, most principals had to wait to see (as they used to say) "who walked in the door" at the start of the new school year.

Another key role of this strategy group, chaired by Mr. Philip Jackson of Ernst & Young, is to consider the ongoing professional development opportunities that should be provided to serving teachers, including the initial induction and support programme.

To address other major areas of concern for teachers, a pay and conditions of service taskforce has been established under the chairmanship of Mr. Conor O'Dea, Managing Director of Butterfield Bank. It is intended that this taskforce report back to the Ministry later this year.

Strategy 5 focuses on two significant areas: scholarships and careers and guidance for all school students. This working group currently chaired by Mr. Gareth Long, School Development Advisor in the Ministry, has identified the structure and roles for a newly created education council secretariat. The education council secretariat will serve many functions including full professional research, data, and administrative support for the education council.

Crucially, it will take on all issues concerning government scholarships, ensuring that current systems are revised to allow a totally transparent scholarship process to be established and for criteria to be developed, while at the same time addressing the economic development and HR priorities of the Cayman Islands. This will include offering guidance and sup-

port to ensure appropriate college placements and international recognition of course qualifications offered. Additionally, it will track the progress of all students and prepare appropriate work placements on the completion of courses undertaken. Financial issues such as value for money and debt collection of unused fees will also be undertaken.

Additionally, the Secretariat will be involved with all aspects of licensing preschools, private schools, teachers, as well as all tertiary providers in the Cayman Islands. A national priority is that any course or training offered in the Cayman Islands must be of the highest standard and where appropriate have international recognition and acceptance. The post of Head of the Education Secretariat is currently in the recruitment phase, and it is expected that the secretariat will start work by the start of this coming school year, September.

Strategy 6 concerns the business processes in the education system leading to the development of financial autonomy to school principals. A fairly critical report has reviewed all current financial processes. New systems have been developed and a series of training opportunities have and continue to be offered to school principals in preparation for the transfer of autonomy. This process has not gone smoothly, and a new approach is being prepared to kick start this initiative with all the support that principals will need to operate this new responsibility effective September 2006.

Strategy 7, shared by Mr. Stan Bodden, the Deputy Chief Officer in the Ministry, is taking a very active look at all aspects of data within the education system. This data largely falls within two types, management data and academic data, which monitor students' progress. The project group is identifying the key information and data, how it is collected and stored, to give maximum information to all stakeholders in a clear and manageable form. This will enable easier reporting of key data and ensure appropriate resources are placed in a timely manner—enough school places, enough school buildings, enough resources, sufficient transport.

The group will also be recommending to the oversight committee a new format for the reporting of external examination results each year showing the number of students, the pass rate by subject, the number of students taking those subjects and how the results compare to previous years. This will allow for the first time, a real statistical analysis of performance by school, subject and by student available to all stakeholders including the community.

With the advent of the new standardised test (the TerraNova Tests, piloted in May 2005), it will now be possible for the progress of each student, class and school to be monitored. It will also be able to demonstrate the level of improvement that each individual student makes each year, especially the development of skills such as literacy and numeracy. This level of detail to the report shows and identifies spe-

cific literacy and numeracy skills that individual students have mastered, partially understood or failed to understand. This will give a real guide to staff as to how to plan lessons to tackle these areas. Additionally, it will be possible for parents to be issued with an individual report that highlights strengths and areas for development.

Strategy 8, the group studying all aspects of technical and vocational work within our schools, has started its work under the chairmanship of Mr. Walling Whittaker, Director of Employment Relations. This strategy requires the full involvement of other strategy groups, including Strategy 2, considering the review of the curriculum. The guiding principles for this strategy group are agreed, and group and presentations made for the way forward to ensure that our students are fully prepared for a range of appropriate technical vocational opportunities which will be delivered within schools and within an extended range of tertiary courses.

Strategy 9: This Government is committed to considerable investment in capital projects to support the continuing education of our students. Already announced was the development of three new all-through high schools, one to be based in Frank Sound, one in West Bay, and one on the existing John Gray High School site. The work on these is starting in earnest now with the arrival of the new senior project manager, Mr. Alan Cook.

Advising the Government on both the building and curriculum for these schools is the world-renowned Professor Stephen Heppell, who makes his second visit to Cayman next week to work with Ministry staff, Education Department staff, existing high school staff and the students from both John Gray High School and George Hicks School. He will also be working with the technical staff on moving the new schools from ideas to reality. I invite the Leader of the Opposition and his colleague, the Third Elected Member for West Bay, to visit with Professor Stephen Heppell and to learn what it is that is being proposed and to make whatever input they wish.

It is hoped that the schools will be ready for September 2008, although it is acknowledged that this is an extremely ambitious timeline. Also previously announced is the new primary school to replace George Town Primary and new halls for both East End Primary and Cayman Brac High School.

Strategy 10 focuses on the development of initial teacher training in the Cayman Islands, as well as the continuing professional development of serving teachers. This small strategy group, chaired by Mrs. Mary Rodrigues, has made considerable progress in identifying ways that teacher training courses can be provided in the Cayman Islands in a very short timescale.

The Education Conference identified this as a fundamental need for the country. Considerable work will need to be done with the new President of the University College, but certainly it is technically possi-

ble within a very short timeframe that these courses could start either next academic year or next year.

The group is also considering plans for all serving teachers to undergo further professional development, training them for 21st century pedagogy and ensuring that they have the technical skills and confidence to use technology as a matter of routine within their lessons to enhance learning experiences for all students.

New Strategies: As all the work outlined has developed it has become clear that areas need specific focus as well. As a result of this, additional strategy groups are being established to review all aspects of tertiary education and students with additional needs, ranging from those with special education needs through to those identified as gifted and talented and, finally, a strategy group focusing on the use of information technology in our schools.

So, Madam Speaker, that is the work that has gone on since the Conference, since September of last year; and, as I say again, I am very disappointed that the Leader of the Opposition and the Third Elected Member for West Bay—who are so critical of what we are trying to do to improve education on these Islands—do not deem what I have to say about the progress of this important work sufficiently important to be here, having stood up and, for the best part of four hours between them, tried to tear down everything that we have done. However, they have to do that, Madam Speaker, because they, and particularly the Leader of the Opposition, led a government for four and a half years that really cared nothing about the future of these children—“these children” being our children. What they care about is building edifices to their egos, huge capital projects so that they can open them. They broke so much ground in the run-up to the Election that we thought it was an earthquake!

[Laughter and inaudible comments]

Hon. Alden M. McLaughlin, Jr.: There were signs all over the place proclaiming new schools. They did not even have plans, and then had the audacity to come in here, the temerity to suggest that this Government and this Minister has not done anything. Then they do not even have the courage to sit here while I speak. Not one Member of the Opposition is present!

Madam Speaker, I get really upset about these sorts of things, I have to tell you, because we all know that this is the house of politics. But the Leader of the Opposition will stand up here and harangue and demean Mrs. Angela Martins, the Chief Officer in the Ministry, because of his personal beef with her, and talk about her and me and say that we are gambling with the future of the children of this country.

Gambling?

They should be indicted for their dereliction of duty over the course of the last four and a half years, and for good measure too, their predecessor, Mr. Truman Bodden, who I see writing letters to the press complaining and quarrelling about the money that the

Government is spending on new capital projects. It is the future of this country that is at stake. It is our children who have been neglected.

I am glad some of them are coming back so that they can hear.

[Inaudible interjection]

Hon. Alden M. McLaughlin, Jr.: I am no saint, Madam Speaker, but one of the things I do not do is gamble.

Madam Speaker, George Hicks High School—one of the things we have learned as I have attended a number of conferences, which the Leader of the Opposition is complaining about. . . Him of all people complaining about Ministers travelling! He spent so little time here I do not know how he could find his way back when he was in office. At least when I go to these conferences I attend them and I learn something from them.

Madam Speaker, if you will give me a moment there is a document I want to refer to.

The Speaker: Would you like an early suspension?

Hon. Alden M. McLaughlin, Jr.: No, thank you.

The Speaker: Okay.

Hon. Alden M. McLaughlin, Jr.: Madam Speaker, one of the things we have learned (which is really so obvious that you wonder why it did not occur to you before someone actually said it) is that the smaller schools are, the better children perform; the smaller class sizes are, the better children perform. So, there has been a growing trend in a number of jurisdictions, including the United States, to move to what they call “schools within schools” as a model.

As Mrs. Martins and I attended these various conferences (including the World Education Ministers Seminar in London, in January), I have to say this concept did resonate with us. After having the benefit of the meetings with Professor Heppell and his visit here, and after wide and long consultation with the school administrators and teachers at George Hicks High School, we took the decision to turn George Hicks High School into a campus which would house four, not completely independent but semi-independent schools. Each school would have its own administrator who would be called a “learning leader”, a deputy learning leader and the various support staff. Each school would be separated, fenced off and almost completely autonomous.

Obviously, there is a certain amount of common space which would have to be utilised by all of the schools; things like the playground, the canteen, and there are a number of subjects, obviously, like music and art and home economics and the like, where classes will be taken, in some instances, outside of the particular confines of one of the schools.

Essentially, the schools will operate independently otherwise, and there will be a campus director who will have oversight of the entire operations and be responsible for all of the other sort of administrative matters which would normally fall within the remit of a principal. The objective is to limit the amount of administrative work and oversight that the learning leaders actually have to do, leaving most of that to the campus director so that they can get on with the business of actually imparting knowledge and teaching.

Madam Speaker, last week Tuesday I attended the Family Life Centre up near George Hicks High School to talk with the other members of my team and the parents about this proposal. Madam Speaker, I was completely overwhelmed. To tell you the truth, I was a bit intimidated at the sheer number of parents that were there. Somewhere around 475 parents showed up for that meeting.

Madam Speaker, I would not tell the truth if I did not tell you that there were not days that I got up and looked in the mirror and asked myself if this job is not too big for me. However, I can tell you, when you go through the experience as I did on Tuesday (it seems a long time ago now), it makes everything worthwhile. It demonstrates to you that despite the critics—like the Leader of the Opposition and the Third Elected Member for West Bay and others—that by and large the good people of this country understand that we do have fundamental problems with education and do believe that the path that we are on is going to help to fix the problem.

This is not perfect, and I do not pretend to have all the answers. However, what I do have, Madam Speaker—which the Leader of the Opposition never had and never will have—is the ability and the willingness to listen to people; to understand that if you get the right people on board who have the knowledge, training and expertise, and you have the wherewithal to exercise the right judgments, you can move mountains. You can make miracles.

I have to tell you, Madam Speaker, that when I stood up to speak to those parents I was so overwhelmed by the sense of commitment and concern and support that I almost burst into tears, because unless you live this you do not understand how hard it is to turn this system around. When you fight every single day with people within a system—and this is not everybody because by and large most people, I believe, are with the programme; however, key people (like some of those who wrote that part of the Leader of the Opposition's speech) resist the change because it means they have to change or they will be changed.

However, when you get that kind of endorsement . . . Madam Speaker, beyond my wildest dreams I could not have asked for more support, all because it makes more sense to move to smaller schools. The team that I have, led by Mrs. Martins and Mr. Gareth Long, has worked so hard to get the details of this transition right. I did have every confidence that the majority of people were going to buy into what we

were proposing to do. However, in those 470-odd people there was not one dissenting voice, and they spoke and they asked questions for the better part of an hour. I am not suggesting that people did not ask, 'Well, what about this?' and, 'How are you going to do this?' and, 'Are you sure you can do that?' Those are the kinds of questions you want. However, every single parent there supported the move to smaller schools.

So, when the Third Elected Member for West Bay talks about we have not done anything, ask him to get an assessment from those parents who understand the difficulties their children are experiencing in a school of 1,000 students in those environs, and to assure him and others that we are going back to our regular school day for all children at George Hicks High School. If he thinks that that has been achieved by my sitting on my you-know-what, then he can think again.

[Pause]

Hon. Alden M. McLaughlin, Jr.: Madam Speaker, could I have an indication of how much time I have left? I believe I may have to make some adjustments...

The Speaker: Madam Clerk?

Hon. V. Arden McLean: Keep going, man. Take some of my time!

Take some of mine. Take some of mine. Take some of my time. Do you want more?

The Speaker: From my calculations I think you have approximately 18 minutes. I think you started at 10.15, and you had an hour and three minutes. Whether that is correct or not, I do not know.

Hon. Alden M. McLaughlin, Jr.: Can we round it to the nearest half hour?

[Laughter]

The Speaker: Honourable Minister, the person sitting in this chair has the right, if that person feels you are going to be finished in a few minutes, to allow you to go on for a few minutes extra.

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

I will skip over some of these other things. I have mentioned Professor Heppell and his involvement, so I do not think I need to really go into too much more detail about that. However, I must, Madam Speaker, address this question of literacy, which, according to the Leader of the Opposition, is not an issue at all. All is well!

Hon. V. Arden McLean: He wouldn't know.

Hon. Alden M. McLaughlin, Jr.: All is well!

Madam Speaker, I am going to start by explaining what the TerraNova Testing Program is about. The TerraNova examination is a set of multiple-choice tests in core academic areas. The examination is designed to accommodate the needs of the educational organisation. Schools can select appropriate test batteries to meet their local needs. Language items cover word and sentence structure and listening comprehension, as well as writing and editing skills. Reading items cover word analysis, reading strategies and comprehension from initial understanding through interpretations.

TerraNova scores lie on a single equal interval scale that is applied across grade levels. These scores show a student's performance relative to the TerraNova's large standardisation sample, reflecting both genders and the huge range of parent education levels, region and race/ethnicity of the US population. It is a US-based test.

TerraNova is one of the five major standardised testing programmes used in the US to assess student progress as required by national legislation. It is also increasingly used in countries outside the US, including Bermuda, a territory analogous to the Cayman Islands. One reason for its wide acceptance has been the focus on limiting cultural bias on the test as compared to other US standardised test batteries. There is also greater emphasis on more open-ended questioning and on testing on the standing, as well as knowledge.

TerraNova itself evolved out of the CAT/5 Test, which was widely administered (and too often ignored) in the Cayman Islands' schools for a number of years before the introduction of TerraNova. By the early 90s many school systems in the US became concerned that CAT/5 no longer provided effective assessment for the rapidly growing multi-ethnic population. Concerns about cultural bias, lack of emphasis, problem solving, creativity, and the reliance of solely multiple-choice questions were addressed by the development of a new examination system that had all the advantages of CAT/5 without many of its weaknesses. The result has been that TerraNova has been widely adopted in the US as a replacement for older examinations.

According to a 2003 study published in Education Market Research, more than 15 per cent of students in the US were assessed using the TerraNova examination, with many more used state tests that are customised versions of the TerraNova Test.

CTB/McGraw-Hill, the publishers of TerraNova (and not, coincidentally, the publishers of the reading programme adopted by the Cayman Islands' primary schools several years ago) have this to say: **"TerraNova, The Second Edition is also the sixth edition of the widely used and highly respected California Achievement Tests® (CAT) test series. The first edition of the CAT series dates back to**

1950. This half-century of service to the nation's schools is recognized by the continued use of the CAT name in the new TerraNova assessment series.

"TerraNova, The Second Edition continues the tradition of technical quality and instructional relevance that has made the CAT series--and the TerraNova family of assessments--so popular."

TerraNova for the Cayman Islands: The selection of the TerraNova testing programme as a standard for the Cayman Islands education system was driven by the dissatisfaction of teachers in the Cayman Islands Government School system with CAT/5, the program of standardised testing then in place. Teachers found that CAT/5 results were hard to understand and evaluate, and even harder to use to help inform instruction in the classroom. Inspection results bore this out consistently. When the Department of Education made the decision to replace the CAT/5 Exam, teachers were asked to take part in selecting the replacement. Three major testing organisations were short listed by the Department and invited to make a series of presentations to teachers in government schools. Teachers were then asked to provide feedback on which tests were preferred.

After extensive consultation and consideration, the TerraNova Examination was adopted in 2004 for administration in 2005, chosen in large part because of the emphasis on open-ended questioning, authentic assessment and because teachers felt that TerraNova provided better reporting tools and closer curriculum alignment than had the CAT/5. Furthermore, the Department began discussions with the publishers about creating customised testing in science and social studies to reflect the Cayman Islands' curriculum.

Despite Hurricane Ivan, the first test administration of TerraNova was held on schedule in May 2005, nearly one year after the decision to adopt the examinations. The Leader of the Opposition says the teachers did not know how to teach it. Well, the teachers were involved with choosing it, and the first tests were held in May 2005, almost a year after that decision was taken to adopt it.

Although the Department of Education recognised from the time the decision to proceed with TerraNova in 2005 was made that the disruption caused by Hurricane Ivan would impact schools in administering tests, just as schools proceeded with external examinations for students, the standardised testing programme continued as well. While TerraNova represents a significant step over the old CAT/5, many key elements of the testing programmes are the same, the examiners' manuals follow much the same format and many of the procedures are very similar. The key differences between CAT/5 and the newer tests are those which make the TerraNova much more like real life tasks: the writing samples, authentic literature and open-ended questions.

Another key positive feature of the TerraNova testing is the ability to generate Lexile scores from the results. They evaluate students overall literacy performance. The Lexile Framework for Reading is a scientific approach to reading measurement that matches readers to text. The Lexile Framework measures both reader ability and text difficulty on the same scale called the “Lexile Scale”. This approach allows educators to manage reading comprehension and encourage reader progress using Lexile measures and a broad range of Lexile products, tools and services.

As the most widely adopted reading measure in use today, Lexile gives educators the confidence to choose materials that will improve student reading skills across the curriculum and at home. Tens of thousands of books and tens of millions of articles have Lexile measures. Hundreds of publishers Lexile their materials and all major standardised tests can report student reading scores in Lexile. By providing access to this function, the TerraNova test gives teachers the potential to carefully align their reading instruction to the students’ needs.

This is to deal with one of his points: While the accuracy of the TerraNova results for the Cayman Islands has been called into question, local research refutes this. Since 1999 Cayman Brac High School has been tracking students’ reading levels as part of their literacy programme. For the past several years reading assessment has been done through computer-based individual assessments using the scholastic reading inventory, a widely used diagnostic programme recommended by the Florida Centre for Reading Research for both primary and secondary students.

It is a pity the Leader of the Opposition is not here. I am getting tired of saying that. I know people must be tired of hearing me say it, but he needs to learn these things.

The student Lexile levels as assessed by the TerraNova Examination closely match the results of the SRI (Scholastic Reading Inventory), thus providing an independent crosscheck on the validity of the results.

So, that is the background to TerraNova. Madam Speaker. Allowing for all of those things (Hurricane Ivan, allowing for the teachers not knowing if all of that is true) . . . I have been reluctant to do this, but I am going to do it, because unless we knock on the head those types of nonsense, diatribe and self-serving statements—which the Leader of the Opposition was persuaded by somebody to read in here yesterday as part of his speech . . . That all is well.

What did he say?

I have it written down. He said that the Chief Officer, Mrs. Angela Martins, and the Minister have indicted the students by the announcements which I made about the literacy levels in this country. Well, when I read this . . . I will leave it to the country to decide who to prefer the indictment against.

The Speaker: Honourable Minister, if you are going to be reading from a document, I would request that it be laid at the end of your contribution.

Hon. Alden M. McLaughlin, Jr.: Yes, Madam Speaker. This is a document—this is part of a Power Point Presentation which was made to me, and which I, in turn, asked be made to Cabinet, and the supporting Government Back Bench. It is called “Overview on Literacy & Numeracy and Final Output Data from John Gray High School”. **“This presentation seeks to provide an overview on the state of literacy and numeracy in public schools. It also seeks to establish a relationship between literacy and numeracy rates and final examination grades at the exit level of John Gray.”**

Madam Speaker, I am not going to go into all of the detail because I just do not have the time, but, essentially, what it does is break down the performance levels from “Advanced Reader” at the top to “Proficient” to “Nearing Proficiency”, as being “Above Grade Level”. Then below that line there are three categories called: “Progressing”, something called a “Watch List” and then “At Risk”. However, the top three are “Above Grade Level” and the bottom three are “Below Grade Level—that is, they are reading below the required level at international standards as set by the TerraNova Test.

They deal with all of the Government Schools. There is a separate breakdown for Cayman Brac because, interestingly, Cayman Brac is performing significantly better than Grand Cayman.

Year	Students	At or Above Grade Level
Year 2	316	39%
Year 3	363	32%
Year 4	341	32%
Year 5	327	35%
Year 6	332	27%
Year 7	290	26.2%
Cayman Brac High School Year 7	26	57.5%
All Year 7	316	24.8%
George Hicks High School Year 8	284	23%
Cayman Brac High School Year 8	35	42.9%
All Year 8	319	25%
George Hicks High School Year 9	293	33.4%
Cayman Brac High School Year 9	42	40%
All Year 9	335	33%

Now, Madam Speaker, let the Leader of the Opposition deal with that. However, he does not have to deal it with it, you see, because even when he was here as the Leader of Government Business they simply pretended this did not exist. So, he can beat up his gums over there as much as he wants, it is my responsibility and this Government’s responsibility to deal with it. We are not going to simply come to this House and make fancy speeches and show off how well we can speak and how all is well and present the best possible face to the country and worry about a few people in the administration who are shaking in

their shoes, and who are complaining and worried about their positions.

Madam Speaker, I am the nicest most reasonable person in the world. I really believe that. However, let me tell you something.

The Speaker: Honourable Minister, you have extended your time, so would you start winding down, please.

Hon. Alden M. McLaughlin, Jr.: Yes, Ma'am. I am getting there right now.

[Laughter and inaudible interjection]

Hon. Alden M. McLaughlin, Jr.: Let me tell you something, Madam Speaker. This trust that has been reposed in me by the people of this country—first, to make me a Member of this Legislative Assembly; and the trust that has been reposed in me by these folk that sit behind me and alongside me as the Minister of Education—I live that. I breathe that every single waking moment of my life. I am not going to allow the Leader of the Opposition, the Third Elected Member for West Bay, or anybody else, to deter me or this Government from doing what needs to be done to improve the prospects of the young people in this country, because if we do not get education right, all the rest of it is for naught.

All of those who have their luxury yachts, like the Leader of the Opposition, and their fancy homes, need to come to understand that if our people do not have the wherewithal to participate in this marvelous economy which we have built and are trying to build even bigger and brighter, all of their wonderful little toys and all of their nice homes are going to be at risk.

We also need to understand, Madam Speaker, that [we do] our own people a disservice, we betray our children if we do not seek to get this right. Platitudes and generalities and nice-sounding statements and worrying about whose feelings are hurt or whose are not hurt . . . I am sorry, Madam Speaker. I bear nobody any ill will; I do not want to see anything bad happen to anybody in the system, but we have got to get the people in the system that are prepared to help drive this change agenda. I make no apologies for saying that. I make no apologies for doing what I have to do to make sure that happens.

So, they can write as many nice speeches to send down here for the Leader of the Opposition to read, I know in my heart, my colleagues, and those parents and the wider community understand what has to be done. As long as I am here with the support of my colleagues it is going to get done.

Madam Speaker, I just want to say, in conclusion, that even if you do not believe after all I have said and read, that the TerraNova testing system is right, if you do believe that it paints the literacy picture in these Islands far too black, far too bleak, look at the

results of the external exams at John Gray High School.

If anybody thinks that I am not serious when I say it really does not matter to me about what people think when I say certain things . . . the principal at John Gray is one of my sisters. I want people to understand that I am not blaming her and I am not blaming the teachers, and I am not even blaming the Department of Education by themselves for the problems that we have. None of these problems were created over night. None of these came about over night. It has been a system of neglect, lack of attention to it for years and years and years.

I do not have a magic wand—I wish I did—that I can just wave and make everything right. But we have got to do something about it and we have got to stop covering up and pretending and worrying about who is going to get hurt and who is going to feel bad if you say this.

I am not in this to be the most popular guy around. The people will decide at the end of the day whether I have done a good job or not. What I am there to do—

The Speaker: Honourable Minister, you have exactly two minutes to wind down.

Hon. Alden M. McLaughlin, Jr.: —is to improve this situation.

Thank you, Madam Speaker.

I want, Madam Speaker, to talk about the relationship between the external exam results at John Gray High School and these findings of the TerraNova Test.

The Speaker: Honourable Minister, I do recall when the Standing Order was being amended to give Members two hours, that in that discussion, if the House were prepared to accept a motion to extend the speaker's time . . . if you are going to go beyond the two minutes extra that I am allowing you maybe we may have to move a motion and see if the House. . .

Hon. Alden M. McLaughlin, Jr.: No, Madam Speaker, I really do not want those extreme measures to be taken on my behalf. But I do just want to say, Madam Speaker, that I was searching (that is why I was taking a little time) to find that particular document and I cannot put my hand on it at the moment.

However, if you look at the exam results from 1999 to 2005, over that six-year period, you will see . . . I cannot remember the precise year by year by year, but roughly 25 per cent of students have gained five good passes at CXC or better. If you look at the numbers from the TerraNova testing, you will also see (when you have done the averages) that roughly 25 per cent of the students who have taken that test over the full range of years are performing at or above the grade level.

I do not need any more testing to tell me that we have a literacy problem, and I am not going to sit around and wait. We have \$1.5 million in this Budget to start dealing with the literacy issue; the development of literacy programmes in all schools, putting a reading specialist in all schools, particularly in the four up at George Hicks—

The Speaker: And North Side.

Hon. Alden M. McLaughlin, Jr.: And we are making sure, doing our best to recruit special education needs' teachers to address these problems.

The Speaker: Thank you.

Hon. Alden M. McLaughlin, Jr.: So, Madam Speaker, I know I have tested your patience, and probably the patience of all those who are listening to me, but I just wanted to conclude by saying that the Opposition can continue to say what they want, they can oppose as much as they want to oppose, but this Minister and this Government have a commitment to the children and the people of this country to improve education. We are going to do everything within our power, with God's good help, to make this system better than it is.

If I cannot (if the Lord spares my life) stand before my people in another three years and say to them, *'It is better now than when you put me there,'* then the Opposition will not have to worry about me, because, unlike some of their own I will hang my head between my legs and say, *'You were not man enough for the job.'* No one will have to vote me out on the basis of lack of performance.

Thank you, Madam Speaker.

The Speaker: Proceedings will be suspended for 15 minutes.

Proceedings suspended at 11.30 am

Proceedings resumed at 11.52 am

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?

The Fourth Elected Member for the district of George Town.

Mr. W. Alfonso Wright: Thank you, Madam Speaker.

Madam Speaker, I rise to give my wholehearted support to this Budget and will take advantage of the opportunity to offer a few comments on the Throne Speech as delivered by His Excellency the Governor and, to the Policy Statement delivered by the Honourable Leader of Government Business.

Madam Speaker, this is a Budget that the PPM Government can truly claim as its own. This is a

Budget that I am truly proud of and would like to congratulate everyone who had a hand in its development, especially, the Honourable Financial Secretary and his able staff. The Budget is detailed, yet simple and understandable at the same time. And, Madam Speaker, it also has a good flavour of prudence and good old common sense.

I want to begin by acknowledging the efforts and contributions of His Excellency the Governor since his arrival in the Cayman Islands in August of last year. Madam Speaker, he has already endeared himself to the leaders and citizens of our country by the respect and care he and his family have expressed for our country and its people. We wish his stay with us to be a most productive and enjoyable one.

I must also congratulate the Second Elected Member for Cayman Brac and Little Cayman for his excellent contribution and the alternatives he offered to relieving some of the pressures of the high cost of living.

Madam Speaker, the Government has been bombarded with a barrage of negative comments about the Budget, the Throne Speech and the Policy Statement. As I sat there in bewilderment I remembered vividly the countless amount of times (as somebody just listening to the debates on the radio) when I heard members of the UDP government accuse the then Backbench of complaining and not offering any alternatives. They were told on countless occasions, especially by the then Leader of Government Business, to shut up or come up with alternatives. Not that they were not offering viable alternatives, Madam Speaker, but I daresay that the past government had great difficulty recognising a good idea. Many good alternatives offered simply fell on unreceptive ears.

The Second Elected Member for Cayman Brac and Little Cayman is offering alternatives as a part of the Government, Madam Speaker, and the Opposition finds that hard to believe. And they criticised that too.

The Third Elected Member for West Bay remarked that if the Second Elected Member for Cayman Brac and Little Cayman was truly a member of the PPM (People's Progressive Movement) why was this great idea not a part of the Budget and our Policy Statement. Madam Speaker, the Members of the Opposition need to come to terms with a few things. First of all, they need to understand that they are the Opposition and they need to make that transition from government to understanding what their real role is now, and to come to some understanding that the policies they tried to get through when they were in government that they cannot impose those policies on the new Government. Madam Speaker, they also need to understand that the PPM does not and will not operate the way that the UDP government did.

Our Backbench Members are capable of and can be trusted to float their own ideas. We are encouraged to blaze our own trails, to grow and to de-

velop. We are assisted in preparing ourselves for added responsibility whenever that comes, Madam Speaker. If a situation unfolds today that requires one of us to step up and take on more responsibility, Madam Speaker, we must be ready.

Our leaders do not live in fear of a takeover from inside of its ranks. There are no individual agendas in this Government, Madam Speaker. We listen to and respect the views and ideas of everyone involved and by consensus, Madam Speaker, arrive at the best possible solution by way of simple, open discussion.

The system we have developed, Madam Speaker, allows this Government to function regardless of who sits in Cabinet. Our Leader is there because we want him as our leader, not because he feels that he must be the leader. He, Madam Speaker, is the great leader he is because that sort of thing is not important to him.

Madam Speaker, I understand the confusion in this system to members of the Opposition. This type of existence and leadership is a foreign concept to the UDP. The concept mentioned by the Second Elected Member for Cayman Brac and Little Cayman is a very technical and intricate one and as is our policy, Madam Speaker, will not be rushed. We will not bring things down here for legislation, Madam Speaker, and six months after cannot figure it out, and it either falls away or we implement it and nothing happens, or it creates a whole pile of excitement and discourse in the community. This PPM Government will not do that.

Good ideas? We need to sit down and work it out, and we will do that with this one.

Madam Speaker, true, this is the largest capital Budget of any government in the history of the Cayman Islands. It is also true, Madam Speaker, that never in the history of the Cayman Islands has there been such critical infrastructural needs. So one goes with the other. I challenge anyone, Madam Speaker, to tell me which proposed capital project is not needed or, for that matter, long overdue.

Madam Speaker, this Budget makes provision for roads, healthcare, schools, crime fighting tools, housing, disaster planning, rapid development of our tourism product, sporting facilities and old people's homes, to name but a few. Every one of these items just mentioned has been on a need list for a very long time, but they have all been neglected or made worse by ill-conceived attempts to remedy them.

Madam Speaker, I chuckle every time I hear the Leader of the Opposition boast about the almost \$90 million that was left in the bank when he and his government were systematically removed from power in May of last year. Madam Speaker, what prudent and progressive government would be running a country with so much cash on hand, and at the same time have so many community needs unaddressed? I am befuddled Madam Speaker, not just because the money was just left sitting there, but by the fact that

the Leader of the Opposition continues to brag about it.

This great accomplishment, Madam Speaker, will have to be the second greatest achievement of the UDP Government. I do not think I need to remind the good people of this country that the great status giveaway will always be their crowning legacy.

[Laughter]

Mr. W. Alfonso Wright: Madam Speaker, I have concluded that those funds were deliberately left there in anticipation of a UDP victory at the polls. Madam Speaker, I leave it to everyone's imagination to write the conclusion of that fairy tale—or horror story, whichever one you prefer. I conclude, Madam Speaker, by informing this Honourable House that the actual amount was not nearly \$90 million but more like \$82.6 million.

Madam Speaker, housing is still a major concern for our country. This PPM Government is working feverishly to bring relief to the many citizens in need. Madam Speaker, much help has been given already, but there are still a lot more individuals to be helped. As we work towards unveiling a sensible and affordable housing scheme, we continue to take some of the sting out of the hardships in the community by allocating a further \$2 million in this Budget to assist persons who are struggling to repair or rebuild their homes after Hurricane Ivan.

Madam Speaker, the 2005-2006 Appropriation Law authorised the Government to make payments of up to \$4 million to assist our people with Hurricane Ivan relief. As of today, Madam Speaker, most of that \$4 million has been committed and will be spent before 30 June of this year.

The Government, Madam Speaker, is acutely aware that with the approaching hurricane season it is important that there is a continuity in the relief programme between now and 1st July. In addition to this, Madam Speaker, the 2006-2007 Budget provides for a further \$2 million in hurricane relief funds by a contribution of \$750,000 to the Cayman Islands National Recovery Fund, and \$1.25 million to District Assistance Committees. Madam Speaker, the district committees have done a fantastic job so far, and I must comment that again I get into these situations whenever you hear the Leader of Opposition say things that nobody can figure out why he said it.

The Leader of the Opposition, Madam Speaker, continues to make these wild statements about the amount of phone calls he is getting, from the residents of Bodden Town, in particular, about assistance they need there and cannot get. Madam Speaker, the district of Bodden Town could be the model district for the district assistance programme. They have done extremely well, Madam Speaker, and this is just another attempt by the Leader of the Opposition to bad mouth (if I may say that) the Minister of Tourism. This is the kind of politics he engages in to

destroy and side track people from doing the things that they are supposed to do. However, I daresay Madam Speaker, he is wasting his time because I could say to him the amount of phone calls I personally am getting from residents of West Bay about things that they need there and cannot get. However, Madam Speaker, I consider those things personal and I will do what I can to assist the people of West Bay or anybody else for that matter.

Madam Speaker, the PPM Government has identified sites for use of affordable housing and is currently going through the technical assessment stage of final design, appropriate size and costing. The first phase undertaken will be for single family accommodations, Madam Speaker, as this has proven to be the area where the need is more pressing. Development of multi-family dwellings will follow as soon as we can work out all the details on that section of the housing needs.

Madam Speaker, the affordable housing initiative of the PPM Government is but one part of the plan to move Caymanians forward. This Government recognises the critical importance of Caymanians being able to acquire their own homes and property. Home and property ownership contributes significantly to a person's or family's sense of self-worth. Madam Speaker, it gives one the feeling of belonging and enhances community spirit. We do recognise that with the ever rising cost of real property in Cayman, this dream of property ownership continually becomes more and more difficult to realise for the majority of Caymanians. For years and years people have said that government ought to do something about it.

Madam Speaker, this Government, in this Budget, is doing something about it. We are addressing this issue in a number of ways. Madam Speaker, I will simply read from the Budget Address by the Honourable Financial Secretary, this section of his Report: **"Honourable Members will recall that certain parcels of property along the West Bay Road corridor and certain parts of George Town previously attracted a stamp duty rate of 9%. The Government intends to increase the present rate of 5% in those areas to 7½%. Elsewhere in the Islands the current rate of 5% will be increased to 6%."**

"The Government has decided to seek the introduction of a special rate of 4% stamp duty in respect of property bought by Caymanians. However, this special rate of 4% for Caymanians will not apply to those particular parcels of land along the West Bay Road corridor and certain parts of George Town that previously attracted a 9% rate. Caymanians purchasing property in those areas will be required to pay a 7½% stamp duty rate."

Madam Speaker, in addition, this Government will further assist Caymanians by changing the present limit of \$35,000 for the purchase of undeveloped land, which will now be increased to \$50,000 and the applicable rate of duty on such transactions will be zero per cent. [For] Caymanians purchasing property

up to \$50,000 (but not exceeding \$75,000) the applicable rate of duty will be 2 per cent.

So, Madam Speaker, it goes to show you that all of this has been properly thought out because if it is difficult to get a piece of land now, Madam Speaker, that is under \$30,000 to \$35,000, so that is more like a starting point for most people. However, somebody who can afford a piece of land somewhere between \$50,000 and \$75,000 must have some means of being able to do a little bit better for themselves. So, in all honesty and all sensible expectation they should be expected to pay something to Government. However, those who do not have the ability to go up in that bracket, starting off from scratch, Madam Speaker, we have done as much as the Government can do. To do anything better than this would be for the Government to buy the land for them; that is the only way we can improve on this. Yet, we have done nothing for one year.

"If the land purchased exceeds \$75,000, a Caymanian acquiring such property for the first time will pay a 4% duty rate; The present limit of \$150,000 applicable to the purchase of property that includes a residential building shall be increased to \$200,000. The relevant rate of duty on such transactions will be zero percent;" Again, a first home! How many Caymanians have gotten themselves in a position, Madam Speaker, where they can probably afford the mortgage but do not have the ability to find the stamp duty? This has stopped so many Caymanians, I know Madam Speaker, because many of them have come to me personally asking, *'What can we do?'* They have been asking this for years, Madam Speaker. This Government has addressed this. Any Caymanian who can find a home to purchase for under \$200,000 will not have to pay any stamp duty.

We have gone on to say that, **"If the value of the property purchased exceeds \$200,000 but does not exceed \$300,000 the applicable rate of duty will be 2%;"**

Again, Madam Speaker, those who can go above \$200,000 must have some means, but we are not penalising them because they have done a little bit better. We are simply saying, *'You need to help your Government out here and we are asking you to give us 2 per cent,'* not too much to expect.

"If the value of the property purchased exceeds \$300,000 the applicable rate of duty will be 4%."

All of these stamp duty rates, Madam Speaker, have been adjusted down to assist our Caymanians. We know what the cost of living is like, Madam Speaker. We pay the same thing that everybody else does. We feel it as well. We understand. Where the Government can make a difference, Madam Speaker, we are doing that. We are making every effort we possibly can in areas that we have direct control over.

Madam Speaker, another source of amazement for me is the Leader of the Opposition's claim that the rollover policy legislated by his government is a good thing, but we have messed it up because the way that we are administering the policy is not the way his government intended it. Madam Speaker, the rollover policy says that if you are on a work permit you are allowed a work permit for up to seven years. At the end of the seven years your employer should have been able to train a local person to take your job. We have to continue to do what we can to protect and prepare our Caymanians to take their rightful places in this community. We must protect jobs for local people.

It says, Madam Speaker, that should that employee be somebody whose presence is extremely important to the continuation of that company and that the business will be adversely affected if they were to have to leave, we say to them, *'Okay, you had seven years and you understood this, but you have the provision to apply for an additional two years if you can prove that this person is indeed necessary for your business as an exempted employee for an additional two years.'* At the end of that two-year period, Madam Speaker, the employee would have had in nine years, and by way of that process that individual is then eligible to apply for permanent residency. Then, Madam Speaker, if the person qualifies for permanent residency, they have the ability to apply for Cayman status ultimately. Now, I think that is clear, understandable English. I cannot understand what part of that we are doing wrong.

The Leader of the Opposition says that we are interpreting this the wrong way, but he has not said to us what we are doing wrong or what we need to do to make it right. He continues again to make these wild statements, Madam Speaker, but does not explain his way out of it and continues to create doubt in people's minds that we are doing things wrong. If you do that, Madam Speaker, you must provide an alternative. Tell us what we are doing wrong. Tell the public how we are doing it wrong. It is just his intention, Madam Speaker, to set the expatriate community and the business community up against the PPM Government.

Madam Speaker, the rollover policy that was introduced by the UDP Government is a good policy, but we also need the Leader of the Opposition to understand that there were Members of the Opposition at that time (because we were not a PPM Government then) who sat on that review team who took a part in developing this rollover policy. So, it is not totally his.

Madam Speaker, as we are discussing immigration, I would also like to say at this point that there has been a lot of talk about the increase in fees and how it is supposed to adversely affect everybody, especially the common man. I would just like to make it abundantly clear to everybody, Madam Speaker, that a lot of care, a lot of time and effort went into this Budget process and I would like to point out (although it was mentioned by the Honourable Financial Secre-

tary) that the one area of the fee schedule for work permits which has the most effect on what we consider the "common man" is the work permit fees for helpers, all class of domestic workers, gardeners and so on, that just about all of our lower income people find the need for.

Those work permit fees, Madam Speaker (before this Budget process) were set at \$150 and they are still \$150; we did not touch them. We made great efforts, Madam Speaker, in trying to limit whatever hurt there was to our people. But the Opposition did not think that that was something they should have mentioned.

Madam Speaker, this PPM Government in its vision for the future has included in this Budget \$11.9 million to start the construction of two new hurricane-shelter standard office buildings to house government departments and some statutory authorities. These buildings, Madam Speaker, will allow for the rapid resumption of government services following a disaster. Madam Speaker, in addition to the disaster recovery benefits, these new accommodations simply make sound financial sense as the Government is currently paying some \$5 million in leasehold payments annually for accommodations for government departments and statutory authorities.

Madam Speaker, a \$4 million allocation is provided for the construction of an expanded and disaster resistant National Archive facility to store and protect government documents and records. One million dollars is provided to start the construction of a new civic centre and emergency centre in the district of Bodden Town—again the forgotten district. But things are happening and the people of Bodden Town are beginning to feel alive again. They are beginning to understand that we recognise that there are people that live in Bodden Town. The last government did not. Madam Speaker, it shows the vision of this PPM Government.

Again, Madam Speaker, the Leader of the Opposition has been another source of laughter for me with his headlines about the PPM has no vision for the future. Madam Speaker, I daresay that I believe the problem that the Leader of the Opposition has is that it is clear to him that the PPM has no vision of his future in the running of this country ever again. So, if that is what he is referring to, all of us in the PPM are guilty.

Madam Speaker, many projects that are in the pipeline are coming online shortly. There are many projects that are ongoing, Madam Speaker. There is a tremendous amount of business going on in this country right now. Madam Speaker, because of the bad management of this country by the UDP Government, this PPM Government is placed in a very uncomfortable position with the amount of capital projects that are needed to be done for the simple survival, expansion and progress of the Government. With so many other things going on privately, this is the ideal situation, Madam Speaker, where the Government holds

back and does not get into the fray of construction and all of that, and saves these projects for when times are not so good, that you use the government projects to stimulate what is happening in the economy. However, everything that is necessary right now that we are working on right now, Madam Speaker, is urgent and must be done simultaneously with everything that is going on simply because of bad management by the last government—no foresight, complete lack of vision and neglect.

So, Madam Speaker, this places our Government in a position where at a time when we are trying to come to grips with our immigration policy and the amount of work permits that we have on hand we are also forced with the need for additional labour because of the amount of projects, amount of construction that will have to go on in the next few years. So, we do have a tremendous amount of responsibility here, Madam Speaker, to get this thing just right. We cannot simply open the floodgates and let people do what they want with work permits and immigration. It is taking a tremendous amount of time and effort by the leaders of our country, leaders of the PPM, to keep this thing from simply blowing up; time that we could be spending do a lot more things.

Madam Speaker, when this Government took office crime was at an all-time high. The PPM Government moved swiftly and strategically to address this issue by approving almost \$50 million in proposed expenditure to improve Policing in the context of a four-year strategic plan. Madam Speaker, at this point I am happy to say that although we know things are not where we would like them to be, we have nevertheless taken a bite out of crime.

Yes, Madam Speaker, there are complaints. Yes, the Police Department is not doing things exactly the way we would like them to do all the time. However, Madam Speaker, it is clear that things have improved and we must commend them for that. We must give credit where credit is due. They are still working on it and this Government is continuing to support them, Madam Speaker.

In terms of increased funding for the Royal Cayman Islands Police, the 2006-2007 Budget provides for \$4.2 million for increased policing presence in our communities. The Portfolio of Internal and External Affairs, Madam Speaker, is also provided for with new outputs in the amount of \$250,000 relating to the sentencing and rehabilitation of prisoners. So, we are attacking this on every possible front, Madam Speaker.

Madam Speaker, I have always encouraged the general public to continue to assist the police. Police can only solve crime by intelligence—Intelligence means information. If the police were around when crimes were committed they would not have any problems. Nobody is going to commit crimes in front of the police . . . well, some people have attempted I guess, but the majority of the crimes are committed when there are no police around. So, there is always usually

some witness to whatever crime there is that is perpetrated, and the only how the police can solve those crimes, Madam Speaker, is if the general public (people who have information, people who saw what happened) volunteer that information to assist the police. There is no other way of doing it, Madam Speaker.

We have to continue to trust, believe in and assist our crime-fighting officers. And that also goes for immigration and customs. We have to do this together. We cannot stand there and laugh about the police not doing this and not doing that, and this one is right under their nose and this one is right under their nose. If you do not give them information to arrest and convict that person sooner or later, Madam Speaker, the same individual that you knew did something and will not tell the police, that individual is going to do something to affect you personally. At that time you are going to wish to God that you had done what you should have done.

Madam Speaker, the Government is also providing \$6.2 million to fund the establishment of a Police Marine facility and the purchase of vessels and other necessary policing assets to assist with the fight against crime and improving border protection. The border protection issue, Madam Speaker, is one that we have talked about for a long time but have only paid lip service to. This Government intends to give the police what it needs in terms of equipment, staffing and whatever else it is that they need to make this country safer. The Cayman Islands is a small place but the way our Island is shaped, Madam Speaker, makes it quite cumbersome, quite difficult for one, even two boats to adequately patrol our borders. We need additional equipment to assist the police. The PPM Government has made plans and is doing something about that.

Madam Speaker, this Government is also providing \$1.7 million for the purchase of land and construction for an emergency service centre in Bodden Town, which will house a new fire station among other things. Madam Speaker, we are also working on several pieces of legislation that will help with crime. We are working on amendments to the Prison Law to facilitate the appointment of a commissioner of corrections to lead the development of a modern sentencing policy and practices; the implementation of a drug court legislation to create a drug court to deal with drug related crimes and facilitate appropriate sentencing.

Madam Speaker, the Minister of Education took time this morning to go through what is happening with our schools. I sometimes wonder how the Honourable Minister can do what he does. The job is one of the most difficult ones that I have ever seen. There is so much to be done. It is such a delicate matter. But the good thing about it, Madam Speaker, is his natural passion for the welfare of our children. This has always been something that has been extremely important to him. The education process, the quality of

education in our country, Madam Speaker, shows clearly that there is something wrong with this system.

We continue to get into the situation, Madam Speaker, where people try to turn it into personal issues. It is not about personalities or any individual; it is about a system. It is about the livelihood; it is the nucleus of the growth of our country; it is where everything begins. If we do not get education right, Madam Speaker, nothing else good will happen. We can construct all the buildings we want, do all the systems, all the roads, all the business places and encourage all kinds of business to come into this country, Madam Speaker, but if our children are not properly educated, all of the nice buildings, the nice homes, the nice businesses will suffer. If the kids are not equipped to take on meaningful jobs that will support them and their families they are going to involve themselves in crime to simply survive. So, we can build all of our nice buildings, buy our nice cars, but if our kids cannot make positive contributions to the community and support themselves—they have to eat, they have to live, they need shelter, and if they are unable to do that because the education system failed them, then we are going to pay for it one way or the other.

My idea, Madam Speaker, and that of the entire PPM, is that that money must go into the head of the scheme, must go into education and not into crime fighting and the Prison Service. We need to spend it up front so that we do not have to spend it back there. See, once we start spending it back there, Madam Speaker, it becomes a bottomless pit. You spend and spend and spend and there is no hope after that, so I applaud the Minister and his team.

Madam Speaker, I have a tremendous amount of respect for teachers worldwide, but especially the teachers we have here in this country; they are so important to what the Cayman Islands is all about. I know that a lot of them are frustrated, and I have had the opportunity to have personal conversations with many teachers, Madam Speaker, years ago, not just now. But this system . . . the problems here have been known for years. There are things that are coming to light now, Madam Speaker, that I was told about three, four years ago, but nobody would believe you. You had nobody to turn to. Nobody would believe that these things . . . well, I should not say “believe”. I think they knew, but they were not prepared to do anything about it.

Madam Speaker, nobody is blaming the current administration, the current department or our teachers for this situation that we are in today because we all agree and accept that this has taken place over many, many years. It has just gone on and on and we have failed to address the problem. If there is anything that we have to put blame on here, Madam Speaker, it is the fact that while we did not do anything wrong in the system, I think where we failed is that we simply continued to go along and not have the courage and the will to change and do things different, stop the bleeding. We have just never done that. Now

it has come to a point where you do or die and it becomes painful for some people.

But, Madam Speaker, if something is not working we need to admit that and accept change, not fight the change that is needed but become a part of it and assist it. That way the Honourable Minister and his staff, his PS, will not have to work so hard.

Madam Speaker, another thing that continues to amaze me is, again, the Leader of the Opposition. What a man! Madam Speaker, the Leader of the Opposition, at every opportunity he gets he takes advantage of opportunities to berate the Permanent Secretary in the Ministry of Education. He is also the same Member who, since he was dethroned, starts to talk about the PPM Government intimidating civil servants. Now, Madam Speaker, as a Member of the Opposition (where he cannot do anything to hurt her), this Honourable Member is continually making these public utterances about a senior civil servant.

Him—the Leader of the Opposition. We need to understand that and to also connect what this gentleman was capable of when he had the leadership role. If he does this as the Leader of the Opposition, Madam Speaker, what was he doing while he was the leader of the country where he had the ability to do things? However, we are the ones that are intimidating civil servants. I do not know what other name we can call what he is attempting to do to her.

The Speaker: Honourable Member, is this a convenient point to take the luncheon break?

Mr. W. Alfonso Wright: Yes, Madam Speaker.

The Speaker: Proceedings will be suspended until two o'clock.

Proceedings suspended at 12.46 pm

Proceedings resumed at 2.06 pm

The Speaker: Although no one has brought it to my attention, there is not a quorum within this Chamber. We suspended proceedings until 2.00. It is now 2:05.

Mr. Serjeant, would you please get me two more Members?

[Pause]

The Speaker: Before I call on the Fourth Elected Member for the district of George Town to continue his debate, I will call on the Honourable Minister of Education to lay the paper that he read from during his debate

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 "Overview on

Literacy & Numeracy and Final Output Data from John Gray High School".

The Speaker: So ordered.

Fourth Elected Member for the district of George Town continuing his debate.

Mr. W. Alfonso Wright: Thank you, Madam Speaker.

Madam Speaker, before the break I was debating on some of the items relating to education, and I will move to inter-school sports.

Madam Speaker, I would like to congratulate all of the organisers and all of the schools for their recently concluded sporting events. I was able to attend two out of the three interschool events; that of the primary schools and the George Hicks sporting days. Madam Speaker, it does the heart extremely good to see the amount of talent and enthusiasm that is still very evident with our children and the excitement that they still get from competing with one another.

I know that the Minister of Education is in the process of reorganising and taking a new look at the sporting activities throughout all of the schools and sports in general in the Cayman Islands. Madam Speaker, I have wondered for some time (and it became a lot more evident to me attending those two events this year) about the lack of attendance of parents. Madam Speaker, I do not think we can blame anybody for this. I understand and know that parents have to work. While some of them may come in and spend an hour or two of their lunchtime, some parents are able to come and stay for the entire day to support the kids. However, Madam Speaker, I believe that it would be good if we could rethink either the times of the day that we hold the sporting events or whether or not it would be a lot more beneficial to everybody involved if these sporting activities were held on weekends.

I believe that it is extremely important, Madam Speaker, that parents are given the opportunity—we cannot force them to get involved, but it would be good if we could give them the opportunity to come out and support to see what is happening with the kids. We have to do whatever it is we can as a Government to promote more wholesome family activities.

So, Madam Speaker, in the review that is being conducted I know that the Minister has that as part of the new thinking for sports, for interschool sports, in particular, in the Cayman Islands and I do ask that we give him whatever support he needs whenever he can get to take a good look at that, and to also put our parents on notice that we are expecting them to support whenever this time comes.

Madam Speaker, while I am on schools, another thing that came to my attention while attending these events—and again, I am not blaming anybody, I am not ridiculing any system, this is a personal observation of mine and it has been a pet peeve of mine for quite some time. That is the display, or lack of display,

of our flag. I was very pleased to see the Cayman flag that was displayed at the primary schools inter-sports meet, but it was not there for the George Hicks meet. I take personal interest, Madam Speaker, in events that are organised by government, any government organisation regardless of the occasion where the National Song is supposed to be sung. You are called to attention to repeat the National Song or the National Anthem, and for me, Madam Speaker, automatically I look for our flag. Now, this may not be that important to a lot of people, and it may simply be my training, my upbringing, Madam Speaker, in my Leo's and Lion's Clubs, that whatever time, wherever we meet we usually ensure that there is a Cayman flag on display and we turn and face the flag when we repeat the National Song or the National Anthem.

While I do not think that something like this needs to be legislated, I believe that in some form of policy or some procedural manual for events that call for the singing of the National Anthem or the National Song that in this procedural manual, somewhere, it is written down that that is part and parcel of the organising of that event. I would not want to burden this Legislative Assembly with the proposition of bringing a motion to deal with something like that down here, Madam Speaker, so I am simply appealing to all concerned that we make note of this and I believe that it is incumbent upon all of us as Caymanians to be a little bit more patriotic, to recognise, to pay close attention to our flag.

Madam Speaker, it is one of the things in this community that I have seen lacking so many times. We have sporting events here and simply by the involvement of a majority of foreign nationals on a team, their flags are constantly displayed and waved at these sporting events and every now and then you might see a Cayman flag somewhere. I want that to change. I want us to be proud and be reminded at all times that our flag is important and we need to show a little bit more respect to the flag. So, I am asking all concerned, Madam Speaker, to bear this in mind and see if we can do something about it. I make you this promise, Madam Speaker that unless something is done about it you are going to hear from me over and over and over again. It is important to me and I am not going to let it go.

Madam Speaker, I also want to take this opportunity to congratulate the Minister for Communications, Works & Infrastructure on the work that he has been doing on getting our new roads through and for all of the effort that he, his staff and the NRA (National Roads Authority) are doing to help alleviate at least some of the traffic congestion problems that we are continuing to face.

Madam Speaker, this is another area for the Minister of Communications, Madam Speaker, and that is the postal survey that has been going on. I think today is the deadline, Madam Speaker. I hope that many individuals have taken the time out to fill in that survey and to send it in. I know we are all used to

going to our respective post office boxes and checking our mail. Madam Speaker, if we simply sit down and think about it there are many individuals who simply only come into George Town or to a post office box area just simply to get their mail. That only complicates and further contributes to the traffic congestion problem. A simple task as checking your mail, I know it has been our system for years, Madam Speaker, but I do ask the country to look favorably at the option of changing the system and going to mail delivery. We cannot force people to do it but I believe there are a lot of people who would take advantage of that opportunity if it is offered.

Madam Speaker, the Minister has also introduced the idea of a town manager in direct relation to the George Town area. I think it is a very good idea. It speaks to vision that the UDP continues to say that the PPM do not have. Madam Speaker, I believe again that this will go a long way in helping us to get George Town in the shape that it needs to be in and then to help us maintain it. There is a tremendous amount of work that needs to be done in the George Town area and we also have a very vibrant beautification committee in place now which is looking on things to be done and providing some sort of facelift for the George Town area. The Minister has plans in place to redo many of the roads within the George Town area. I know the Shedden Road area, Madam Speaker, is part of his plan to completely resurface and that should be undertaken very, very shortly, but we all know that is badly needed.

Madam Speaker, the Ministry of Tourism, along with the Department of Tourism, also has a vested interest in the way George Town looks. It is the first impression that our many cruise tourists see of course when they get off the ships in George Town. I am not saying that George Town is shabby, but I believe there is a lot that we can do to make it a lot more pleasing, not only for our tourists but also for our local people as well. I think we need to continue to explore the prospects of pedestrian areas in the centre of town.

Madam Speaker, in late October or early November of this year the Cayman Islands Department of Tourism and the Ministry will be hosting the Florida Caribbean Cruise Association's (FCCA) annual conference. This is an opportunity for this country to showcase its people, its attractions and the many tourist accommodations and related businesses that we have. It is important that the people who make the difference in the cruise industry, the individuals who will help to promote tourism and to send people to our shores are all going to be congregated in the Cayman Islands.

It is extremely important that we do our best as a country to show them the best that we have to offer. So, I know in the plans that the Minister of Tourism and the Minister of Communications have, along with the rest of the Members of Cabinet, is that we are embarking on an upgrading programme for the district

of George Town. Madam Speaker, the private sector is also very interested in this and is onboard with the plans. So here again is another wonderful project in the pipeline of this PPM Government.

Madam Speaker, there have been many things that we have talked about during this Budget debate. There have been many utterances in the media in recent times where we look at what the UDP should have accomplished in their three and a half to four years that they were in power and what the PPM should have done in their short one-year period that we have had. I am not one to stand here and say that there have not been accomplishments or things that the UDP should not be proud of.

I would like at this time to remind the general public of some of the accomplishments of the UDP Government, Madam Speaker. I think we need to remember their status grants. I believe that we need to understand that the rollover policy came in under their administration. We do agree with the rollover policy, Madam Speaker, but when things start to go wrong the Leader of the Opposition is now trying to make this look like we are doing it the wrong way, or would like to distance himself from that particular piece of legislation.

I also need to remind the public, Madam Speaker, that another one of the accomplishments of the UDP Government was the granting of permission for dolphin facilities within the Cayman Islands, an issue that this Government is continually faced with dealing with and one that we have gotten a tremendous amount of criticism for, but I am just reminding the public that these are some of the accomplishments of the UDP regime.

Madam Speaker, another source of contention that we have had to deal with is the change of policy to allow gay cruise ships to come to our shores. These are all part and parcel of things that the UDP Government did during their administration. I believe that they should be given credit for those things.

I also would like to touch on the Ministry of Agriculture and speak a little bit about the Agri-tourism project that is being proposed for the Lower Valley site. Again, I can only say, Madam Speaker, how else can we describe this but visionary? This wonderful project that is now in the planning stages will give the country back its farmers market, a venue for the sale of local agriculture products. It becomes a major tourist attraction, one that will form a very important part of the tour groups in the eastern district area. Madam Speaker, it will be a centre for promoting, preserving and educating people about agriculture and its related products in this country. It will assist in the promotion of cultural culinary and agricultural traditions and the heritage of the Cayman Islands, where people will be able to go and manufacture and sell, and in turn education for our young people as well as tourists and give them a taste of the way Cayman used to be and the things that were important, the things that brought us to where we are now.

It takes a quantum leap, Madam Speaker, in the area of veterinary medicine where this facility will be able to house the St. Matthew's School of Veterinary Medicine. Madam Speaker, it is important that we understand how crucial and important this new venture will be to what goes on with our animals and with many of our children, and young people who would want to become involved in veterinary medicine. This will be a programme that will be able to assist farmers in caring for their animals. At the same time, it will be a tool for training, Madam Speaker, and it in itself will become an attraction and it is a well-needed facility in these Islands. I know that I saw one of these veterinary schools in St. Kitts, Madam Speaker that individuals from around the globe attend, so it does a whole lot for our community where we can attract overseas students to come here and learn at this facility.

Madam Speaker, this will be an important part of a hub to increase economic activity within the Bodden Town district. I for one am always eager and encouraged whenever I hear of projects like this because I had my little taste at the end of the thatch rope industry where I had my chances at turning the cob and doing some of the things with my grandmother. That is extremely important to me and a part of our heritage and culture that I believe we should do what we can to hold on to. People will be given that opportunity to be able to do those things and then to share it with the rest of the world.

Also at the same time, Madam Speaker, simple things like making jams and heavy cakes from guavas and mangoes and whatever, are things that are going to be brought into this facility where they will make them for sale, but the general public can come there and see it being made and can learn how to do it. Now, if this is not visionary, what else is? So, I am extremely thankful to the Minister and his staff for this step forward.

Madam Speaker, the Go East initiative is another wonderful thing that this PPM Government is embarking on, and again I would like to say congratulations to the Minister of Tourism. He had made it quite clear from earlier on that this was a goal of his, and Madam Speaker, he has seen it through to where he is now getting positive feedback and a country, especially those in the eastern districts, that is extremely enthusiastic and wanting to be a part of this. Madam Speaker, what I would like to say on this topic is that what we want to accomplish here is the emergence of new businesses. There are many of our citizens in the outer districts who may be retired; some may be semi-retired, some of them just find it too difficult to get involved in the hustle and bustle of having to move into driving to George Town or wherever else for that matter, to be engaged in some form of employment.

What the Minister is trying to do here is to give some of these people an opportunity to start businesses that are tourist related. A lot of times, Madam

Speaker, a lot of what he is talking about can be started right in people's own homes where they do not have to make a massive investment, where they do not have to go to the bank and borrow a whole lot of money to get something started.

The Investment Bureau, Madam Speaker, is assisting him with this and is extremely enthusiastic about the idea, and they are giving people the ideas and showing them how they can get these small businesses started up and how they can run them and help them to survive. What we do not want, Madam Speaker, is the mega, the multimillion dollar companies that are now located along the George Town area or the Seven Mile Beach who now control the bulk of the tourist trade. This initiative, Madam Speaker, is not for those people. It is a chance for our local people to become involved from the very beginning in a little business for themselves, the unique industries, in our desire to move the tourists out of the West Bay Road area and George Town into the eastern districts, to have something for the tourists to do and see when they go out there, and at the same time create business opportunities for the people in those outer districts.

Madam Speaker, a company (say, with an operating budget of \$500,000 to \$1 million) going out into the eastern district area and having, for instance, a few rooms for rent in a nice little, organised home for the tourists who do not want to deal with all of that down there, that type of investment means nothing to these bigger companies. However, the generation of income of \$40,000, \$50,000, \$60,000, even \$100,000 will mean a tremendous amount to a small family.

We want that kind of care and attention to these small businesses and for it not to be enveloped by the big-thinking conglomerates, Madam Speaker, where you simply import people for staff who know nothing about the local culture and that sort of thing. We want this to be Caymanian flavoured, owned and operated by the local people.

I commend the Minister for the initiative and for his determination, Madam Speaker, to see it through. So, I am appealing to the general public to continue to be receptive to the idea and start thinking of ways that you can become more involved and start your own small business in these areas, because the Minister is committed to taking the tourism product out to those districts.

Madam Speaker, in closing I want to say that in the year that we have been here as individuals, collectively we have done as much as we can do. Individually, Madam Speaker, there are people in our community who, for various reasons insist on, for instance, dealing with the Members of the Legislative Assembly that they have gotten used to over the years; some of those Members are now Ministers. It is difficult for them to break from the habit that they have been used to where they could find the First Elected Member for George Town or the Second Elected Member for George Town whenever they wanted, or

the Minister for East End, or the First Elected Member for Bodden Town for that matter, where these people were always assessable to them at any time. I know that a lot of them get upset when they cannot reach the Ministers, but I believe that if they take a little bit of time to think about what the Ministers have to do, the amount of workload and that they do have a country to run, it is extremely difficult, if not impossible for them to be available to see them whenever they deem it necessary, or to simply answer a phone call whenever they call them through.

I, Madam Speaker, as a Member of the Backbench, a support Member for the Government, must say to you that I know firsthand (I think I know pretty much) what kind of workload they have. I, at times, feel somewhat guilty when I have to call them because I know I am taking them away from something else. It is impossible, Madam Speaker, to do both things; to be there for your constituents whenever they want you to, whenever they think that they need you, and also run the country. Madam Speaker, in most cases these are some of the same people who will turn around and criticise you when you did not get the things that you said you were going to get done, and not understanding that you could not do it because you were dealing with their personal issues.

I say that to say this, Madam Speaker: there are those of us on the Backbench who are quite willing, and while you may not be used to us yet we are capable of dealing with a lot of the issues that you think you have to call the Ministers for. If you are unable to get through to the Ministers and you want to give us the opportunity to listen to you, I encourage them to do that, Madam Speaker, and if need be, if we cannot solve the problem, then we can in turn get to the Ministers.

I know that is a difficult thing for most people to change from because of simply what they have been used to, but I beg them to sit down and reconsider how difficult it must be for the Ministers to accomplish anything if they have to be available to them 24 hours a day. They will not get anything done in their Ministries; they are extremely busy, Madam Speaker.

We have offices operating in the districts. We have a PPM headquarters in the district of George Town (that is on 488 Crewe Road) and the office is manned most times from ten in the morning until seven at nights. Ministers do make provisions to be at their respective district offices at least one day per week when they are not in the Legislative Assembly. So, rather than simply congregate at the Glass House, it will be better if you find out when these dates are that they are in the office and make your appointments to see them there because they will make time to see people, they just cannot see everybody whenever they think that they should see them.

To repeat again, we as Backbench supporters are here to help and we want to help. Give us the opportunity to do so.

I thank you, Madam Speaker.

The Speaker: Does any other Member wish to speak? The Third Elected Member for the district of George Town.

Ms. Lucille D. Seymour: Thank you very much, Madam Speaker.

Madam Speaker, I rise to make my contribution to the 2006-2007 Budget as presented through a Throne Speech by His Excellency the Governor, and the Financial Secretary and his staff, "A Key to Success: Responsible Financial Management", as well as to the Honourable Leader of Government through his policy action statement, "Key to our Future: Leadership Compassion, Prudence and Vision".

Madam Speaker, I wish to draw attention to the Governor's speech, in particular, on page two where he said, "**Two aspects of these priorities to which I will be turning more of my attention are better customer service by public servants and ways of addressing the causes of crime...**" Then he goes on to say that, "**... we can do so successfully through the joint efforts of the Government, the Legislature, the Judiciary, the civil service, the private and voluntary sectors, and the people.**"

Madam Speaker, firstly, let me make a point regarding the Civil Service as to the relationship that the Members of the Legislature should have with them and how we can be as partners (and very effective partners) with the civil servants.

Since I have come to this hallowed House and sat in the dining room, many aspersions have been cast on the Chief Officer of the Ministry of Education by the Leader of the Opposition. I take umbrage to that, Madam Speaker, as the Chief Officer has no way of defending herself. I say that if we as Parliamentarians (and in particular, we are part of two entities called the "UDP" and the "PPM") have issues with our civil servants, there is a protocol through which we can handle this. We work with our leaders and the caucus and we talk about the efficiencies of the service. Then perhaps they will then talk with the Chief Secretary. However, while a civil servant has no recourse in this House because we are immune, we can call anybody anything. Yesterday I think was the final point and I take exception to it, one, as an ex-civil servant and, two, as a woman.

One of the things we cannot say about the Chief Officer of the Ministry of Education is that she is inefficient. We cannot say that she is not enthusiastic. We cannot say that she does not care. So, I wonder what beef it is that the Leader of the Opposition has with—

Hon V. Arden McLean: Women.

Ms. Lucille D. Seymour: —Mrs. Angela Martins.

Hon. V. Arden McLean: Women period!

Ms. Lucille D. Seymour: I do so also because I was a victim of him—

An Hon. Member: Yes!

Ms. Lucille D. Seymour: —of his work, as a woman in the Ministry of Women's Affairs. I hope that we will kill this today in this House, in particular, our civil servants because we have recourse through the Chief Secretary. We should not come here because we have immunity to kill them. That lady has been killed, she suffered out in the openness, in the dry land, for nearly two years and then she was salvaged by being given the—

Hon. W. McKeeva Bush: Madam Speaker . . .

The Speaker: Yes, Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: I rise under the Standing Order dealing with improper motive.

The Speaker: Go ahead.

Hon. W. McKeeva Bush: Madam Speaker, the Third Elected Member for George Town now speaking, just said that she suffered—and she did not suffer as much as I did, but she suffered, she says—because of what I had did her. I take issue with that and I would like for her to tell this Honourable House if I did her something. I do not know what it is, but I want to know what it is and I want her to say why. It is the issue surrounding it.

The Speaker: Are you rising on improper motive, or are you rising on clarification?

Hon. W. McKeeva Bush: Both.

[Inaudible interjection]

The Speaker: Honourable Member, I do not see the words of the Third Elected Member imputing improper motives on any Member of this House. If you are rising on a point of clarification and the Honourable Member is prepared to give way, then you can ask for your clarification.

Hon. W. McKeeva Bush: I just asked for it ma'am.

Ms. Lucille D. Seymour: Thank you very much, Madam Speaker. I am not rising on the point of clarification, as I do not have anything to clarify. I will continue my debate.

Hon. W. McKeeva Bush: Madam Speaker . . .

The Speaker: Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: I draw your attention to the matter of the Lady Member saying that I did her something, and by what she said it gave the inference that that something was bad. What I know is that she got a job that she was not going to get, but I want to find out what it is bad that I did her.

The Speaker: Honourable Member, I have just stated and made a ruling.

Hon. W. McKeeva Bush: I ain't gonna get no justice here then.

The Speaker: Honourable Third Elect—

[Inaudible interjections]

Hon. W. McKeeva Bush: I would like to get a statement, if that is possible, later on.

The Speaker: Honourable Third Elected Member for the district of George Town, would you continue your debate, please.

Ms. Lucille D. Seymour: Thank you very much, Madam Speaker.

In concluding that part, what I will say is that Mrs. Angela Martins has suffered enough—

Hon. W. McKeeva Bush: No, no, no. She did not do her job!

[Background comment]

Ms. Lucille D. Seymour: —being like a wandering sheep for about two and a half years as a senior civil servant.

[Inaudible interjection]

Ms. Lucille D. Seymour: Then she was given a job to coordinate the [Quinn]centennial, which she did exemplary, and then she was brought back into the civil service and given the job of Chief Officer.

So far, by me and my colleagues, there is no evidence that she is inefficient.

[Inaudible comment by the Honourable Leader of the Opposition]

Ms. Lucille D. Seymour: There is no evidence—

Hon. W. McKeeva Bush: You were the same thing. You were worse!

Ms. Lucille D. Seymour: There is no evidence that she is inefficient because she got promoted, and there is no evidence that the Minister of Education is inefficient either because it must be that he has some ex-

traordinary personality that he can work well with her—

Hon. W. McKeever Bush: Oh, yeah!

Ms. Lucille D. Seymour: Not only well—great for this country.

[Laughter and inaudible comment]

Hon. W. McKeever Bush: She knows that her record is very poor, so she cannot go much further.

Ms. Lucille D. Seymour: I know that the Leader of the Opposition is playing fast and loose with the truth.

Hon. W. McKeever Bush: No, no.

Ms. Lucille D. Seymour: While his mendacity at times can get him very riled up because we refer to it, I am not going to take him on at this time.

Hon. W. McKeever Bush: You better not!

Ms. Lucille D. Seymour: I will prefer to do the job of the country and debate the Budget, and ask the leader of the PPM Government to remember that we are here to help the people of this country. Even those who fall and those who victimise us, we are there for them.

So, I rise, Madam Speaker, to endorse the Leader of Government Business' excellent presentation and, in particular, the statesmanship manner of his deliberation of a budget that is bold, fair, prudent and befitting of a man of vision.

Hon. W. McKeever Bush: I know one thing that is not what he told me that afternoon when he was. . .

[Laughter]

Ms. Lucille D. Seymour: Madam Speaker, in this Budget there is something for everyone, including the Leader of the Opposition.

An Hon. Member: Eighteen per cent.

Ms. Lucille D. Seymour: It reflects the good stewardship over the public purse that is characteristic of a government that you can trust.

At this moment let me compliment my five colleagues who are Ministers. The average age I calculate is about 48 years old, just in the right prime of their lives to rule a country, Madam Speaker. Just in the right prime of their lives. Young, bright, enthusiastic, and I know why the country trusted them and gave them the government. The PPM has delivered, and all my colleagues here have delineated all the various achievements and I will not go into all of them. However, the evidence is around us, Madam Speaker.

In the district administration on Cayman Brac and Little Cayman, for example, there is a renewal of hope. There will be additional housing; there will be a new wave for agriculture and the farmers. In education, the National Consensus on Education will re-engineer the education of this country, and the new changes in the Ministry will give a better personal approach to re-engineering this education system.

In the Health and Human Services there will be a study of living conditions of our people. We have been hitting and missing at that, but we need empirical evidence to show us that perhaps the \$400 or \$500 that we give is perhaps too little, or perhaps we have more people, or perhaps we have to do much more to help their living standards. So, I am glad that has been introduced.

We also have CINICO (Cayman Islands National Insurance Company) being able to have re-insurance, so anything over the deductible of \$500 the insurance company will help, which is great.

We have the Minister of Communications and Works amending the Traffic Law to give us traffic wardens. We have the Ministry revitalising the business centre, improving on the Annie Huldah Roundabout, looking at all the potholes in this country and fixing them. I notice that there is laughter coming from the Opposition. I am glad that the Opposition is here. Maybe this is my luck to have them.

The Speaker: I think they are laughing at me because—

Ms. Lucille D. Seymour: They are laughing at—oh, I am sorry.

We have the introduction of a town manager in the business district. We have Tourism, Environment, Investment and Commerce and one thing, in particular, that this Ministry is going to do, is enable Caymanians to own tourism and the hospitality industry. It is not until there is this ownership that they will accrue the benefits of this very vibrant and very wealthy industry.

We have the preliminary talks on the berthing, which is going to enhance tourism. We have a solid beautification campaign with Ms. Heather Bodden, who is going to help us not only to be wealthy but to be clean. We will have the FCCA (Florida Caribbean Cruise Association) Conference this year which, when it is held here, is going to give us as Caymanians a better insight into the whole cruise tourism. So, again, we can take ownership of that. Madam Speaker, the PPM will continue to deliver.

From the Leader's speech it is clear that the PPM will continue to deliver in crucial areas. We have shown our commitment to making a difference in people's lives through our planned initiatives. We have covered every area of the people's lives under the following headings: repairing the damage done by Hurricane Ivan and enhancing the infrastructure; addressing crime and punishment (statistics show that

crime is coming down); providing education and training (and this morning the Honourable Minister sat down there, he only had two hours, and he delineated all the things that were going to happen in education, or are happening in education); improving the Health Services; relieving traffic congestions; implementing our policy of inclusion with respect to Cayman Brac and Little Cayman; conserving the environment; and strengthening the family and the community. I will move away a little bit from my notes to make a point about the whole question of strengthening family.

When you go through the Budget you will see that there is an enormous amount of money under various ministries and headings to strengthen family and the community; the promotion of youth; the development of sports; National Sports Policy; sports tourism; giving Cayman Brac a sports centre.

Madam Speaker, may I pause here to ask the Honourable Minister if it could be considered that the eastern districts also could get some form of sports track and swimming facilities so that in that long distance that they have to come to swim, it can be curtailed and shortened. I am asking if he would take note of that.

The Speaker: They do not do it.

[Background comment]

Ms. Lucille D. Seymour: We have shown where we are diversifying the economy and its growing, and we have shown that we can be transparent. Almost every Friday there is a press conference and I am glad to see that once a week there will be a television broadcast. Madam Speaker, we cannot entirely rely on the different media to give what the Government is doing to the people because we only have three newspapers. So, we have to find various ways to ensure that what is happening, the people know and understand.

Madam Speaker, all these are areas of concern for us. I am delighted to be part of a Government that is systematically addressing these needs so early in their first term. Madam Speaker, I crave your indulgence to comment on the sacred relationship between an MLA and his or her constituents.

As you know, Madam Speaker, I have built up a special relationship with the people of George Town and, indeed, with the Cayman Islands. Among them are the people I often refer to as the “forgotten Caymanians”. Madam Speaker, I am speaking of those Caymanians who are not included in the category of upward mobile adults in the prime of their lives. More specifically, I mean the young people of the Cayman Islands who are often overlooked when the resources of this country are being allocated, members of family who are traditionally reliant on the community for support and assistance, those who live in fear of crime and violence and the economic plight of women. Madam Speaker, I believe that at the end of the day, the progress of the Cayman Islands and the perform-

ance of Government will be rightly judged in terms of the improvement in the quality of life of these identified groups.

A mere 12 months ago in the height of our campaign, I repeatedly drew attention to the needs of these Caymanians. I distinctly remember pledging to champion their cause if elected to the Legislative Assembly. Well, these messages resonated with the electorate and, as they say, the rest is history.

Madam Speaker, I must also remind my colleagues that imbedded in the PPM manifesto was a commitment to ensure that no Caymanian is left behind as the PPM train moves forward. We will rebuild this country and this society even better and stronger than before.

My concerns, Madam Speaker, over the next years will therefore be about the delivery in the following areas: education and training. I note with great satisfaction that education and training feature prominently in the Budget. This is part of the vision that we shared with the electorate during the campaign, and I am proud to see that at least \$48 million has been set aside for investments in this sector.

I must pause here to give kudos to the Minister of Education. Madam Speaker, he is a bold man and he is courageous; he fights like Sunny Liston—he will fight to the bitter end for the education of this country. I will give him my support. I will always be there to support him because I knew him even before he was born. I watched him grow up. I had a lot to do with him. He went through our system. He got educated; he fought for it. He walked without shoes. He bought a machete and he worked in the grass piece and he helped his father with the cows, and he made himself into a very ambitious and famous lawyer. He has put aside all of that, all those riches, to become the Minister of Education, to take our children into the 21st century. I applaud him. He is not like some people who are going to run outside, he is going to give you a good job. However, the job is going to be for the children of this country.

I am happy to see that George Town Primary School eventually—eventually, Madam Speaker—is going to get its own new school. I am very happy to see that. When that is done you will see a significant change in the learning process of those children. It is only fitting, Madam Speaker, that most of this money will be spent on infrastructural replacement and development to help us recover the ravages of Hurricane Ivan. However, I must stress that I am convinced that the revolution in education and training that we want to bring about in the Cayman Islands must begin in the minds and hearts of our people. It must begin from home. The home must be the first teaching and learning institution. We must assiduously cultivate a climate for educational advancement. We must create hunger for learning. We must make all education a priority, not just our MLAs but our whole society, particularly the private sector. We must get the private sector working alongside with us. Education is to our people

improving their economic and social standing alongside this global family.

Madam Speaker, the National Literature Initiative is therefore a step in the right direction. This is an acknowledgment that we must begin to repair the damage caused by previous administrations in neglecting the education of the masses. We live in the information age, and every resident in the Cayman Islands has the right and deserves the opportunity to improve his or her reading and communication skills.

This morning we heard the Minister speaking about the results. I was there a long time ago when the CAT/5 Test was introduced. That was the means that we had. That highlighted a lot of deficiencies, but it is the political will that makes the difference. It is that political will that makes the difference in the learning/teaching in our country and will make the difference.

I heard a comment about the teachers saying they are not able to teach to the test. You do not teach to a test, Madam Speaker, you teach the curriculum. Since there is a similarity between the tests and the curriculum, then the children should come out on top. However, that is the problem. A lot of people want to teach to the test, and at the end of the day, what we have are people who regurgitate the results of the test but they are not able to interpret. They are not able to, through the taxonomical level, understand and appreciate and read and write in the way that we would want them so that they can be better learners at the end of the day.

I heard a comment, and I know my colleagues (who are still my colleagues) will be listening to me about the comment because they know how I felt and how I have always felt about the scores. Madam Speaker, I want to remind this Honourable House that we must not only focus on the children at school. Yes, they are a captive audience and we must focus on them, but we should not forget that they live in communities and that their parents and other adults in those communities are their role models. If these significant others, Madam Speaker, show a disregard for education, we can preach until the cows come home and children will not take advantage of the educational opportunities at school. So, I repeat that the first teaching and learning institution is the home and we cannot forget that, nowhere.

I am therefore further supporting the establishment of learning resource centres in every community. Let us take education and a love of learning where people are. Let us make these places interesting and attractive for school leavers, their parents and their young siblings. Madam Speaker, some people may argue that there is no need for learning facilities in communities, since an increasing number of households have computers. The truth is that although there may be computers in the home, only a few members of the family can use them or get the opportunity to use them; so great is the competition to go online. I therefore think that a greater attraction to

the learning centres would be free and easy access to the internet.

Madam Speaker, it is only when people acquire hunger for continuous learning that they will access the increasing number of educational institutions that we are building in the Cayman Islands.

Madam Speaker, I would like to pause here for a moment to make some comments from a research base on the whole question of small schools. You and I went to small schools. A lot of us here went to small schools. Yes, I do agree that from the time we started to expand our schools, as large as they are—and that had a reason for it, you know, and I am sure that Mr. Rolston will agree with me that in order for you as a principal to get some decent kind of salary you increased your numbers. I hope that is not going to be so.

The Speaker: I am asking you to refer to the Acting First Official Member.

Ms. Lucille D. Seymour: Oh, sorry, to the—Sorry. Sorry about that. Thank you, Madam Speaker.

Let me ask you to listen to me for a moment on this, and I will cite, and if you would like me to have these tabled, I certainly will.

This is coming from the Bill & Melinda Gates Foundation. We all know who they are, Bill Gates of Microsoft. It says, **“Research on the benefits of smaller high schools has spurred more than half of the nations’ largest urban school districts and their communities, including New York City, to transform many of their large high schools into smaller, more focused schools designed to prepare students for college-level work and rewarding careers.”** Creating small rigorous high schools is a key part of our children’s first initiative to raise student achievement and improve graduation rates.

“Small schools foster close relationships . . . A Chicago study found students in small schools had dropout rates one-third lower than those in big schools. Other studies have shown that small schools are safer than big ones and show great promise for raising achievement levels among disadvantaged students.” From the same research, 75 per cent of parents with students in small schools believed teachers would be able to quickly identify and help a struggling student, versus 48 per cent of parents with students in large schools.

Coming from a subscription which is called “Education Leadership” for leaders in education, it says: **“Now, educators, policymakers, and parents are joining the chorus of researchers who have long trumpeted the benefits of small schools. Studies show that small schools have higher attendance rates and lower dropout rates, their students have higher grade point averages, and students and teachers report greater satisfaction with the school experience.”** Small schools have fewer

incidents of violence and report fewer discipline problems than large schools.

That is the research on small schools, and there is more and more that could substantiate the rationale for why the Honourable Minister wishes to take a large school like the George Hicks School and make it— We have to save our children, and we have to speak for them. We, as the legislators must speak for them and ensure that they get the best. I know that there is going to be a drastic difference in the performance of those children.

In addition to that, another point, Madam Speaker, is that by opening up the George Hicks High School there is room for promotion amongst our Caymanians and amongst our seasoned teachers, because, as it were, some of them were waiting for dead man's shoes. However, that is not the primary reason one would do that. The primary reason is to salvage our children.

We had a school that had a great name. All the children of the Cayman Islands went to George Hicks High School. However, in the advent of new private secondary schools there was a change. I am glad that the Minister is adamant that he is going to bring high performance back to that school, and he is going to give the teachers, parents, investors and this country hope, that then the rollover policy would be insignificant to the Caymanians.

My other concern, Madam Speaker, is crime and policing. I believe that community policing is the best way to reduce crime, and according to what the Leader of Government Business is saying and is in the Budget, there is extra money for it in this Budget. Yes, it is commendable to provide \$50 million to improve policing in the Cayman Islands. It is about time that young first offenders are separated from seasoned criminals in Northward. Madam Speaker, at the end of the day, we have to go one better and prevent Caymanians from going to Northward in the first place. Prevention is still better than cure.

Madam Speaker, crime is as a result of lack of moral values, poverty and opportunity. We have to instill and reinforce values that lead to respect for people and property. The traditional institutions for instilling these values have been the family and the community, the church and the school. Madam Speaker, it is also true that abject poverty that drives people to crime does not exist on a large scale in the Cayman Islands to justify the figures. What is operating here is false value that encourages greed.

Madam Speaker, the dignity of honest labour must be instilled in 'he', 'she', 'it' and even the old lady. We as Caymanians must get back to the thrifty ways of our older folks who always save for a rainy day. There are few of us (except for the unemployed) who can save at least 10 per cent of our monthly income if we are careful with our spending, buying what we need and not what we want, not being influenced by advertising and the lifestyle of our friends and neighbours.

To move away a little bit, Madam Speaker, I sincerely believe in it. That is how I live my life because I do not come from any wealthy family; neither have I dealt in any business. I have been prudent in saving. In all of this that we bring to the House about all of this cost, we must input the factor of saving all the time, because here it is that this Government is trying to save. Then we also must encourage our people to save.

Madam Speaker, I also think that people resort to crime because they feel they will not be seen or caught. Frankly, we do not have enough police officers to watch every potential offender and we never will. It is our responsibility too, Madam Speaker, as members of our community to be the eyes, ears and arms of the law. We must do some self-policing as well. This is the key to having safer and better communities, and I will repeat that, Madam Speaker. It is our responsibility too, as Members of our community to be the eyes, ears and arms of the law. We must do some self-policing as well. This is the key to having a better, safer community.

The other concerns are the family and the community. I commend the Leader of Government Business for defending the family and the community and for recognising that many families in the Cayman Islands, particularly those headed by senior citizens, live in substandard conditions.

Madam Speaker, the increase in *ex gratia* payment to seamen and veterans I know will be appreciated by those Caymanians who lay the foundation on which subsequent generations are building. Madam Speaker, I endorse the decision taken by the Honourable Minister about the National Assessment of Living Conditions in collaboration with the Caribbean Development Bank (CDB). I think that Caymanians will be made conscious and aware that a level of poverty exists in the midst of plenty. I welcome this revelation, for I know that my Government will act decisively to address it.

I also thank you, Madam Speaker (as the Honourable Edna M. Moyle at that time), for having the foresight to put in your budget, while you were at the Ministry of Community Development, some \$250,000 for what it was called then a "Poverty Study" but has been amplified quite recently, and I do agree with including living conditions.

I also want this Government to do more about the poverty of social life that most Caymanians endure. We no longer visit each other or spend time with our older folk. Too many have become victims of cultural penetration and have adopted a lifestyle that revolves around the conspicuous consumption of material goods in small groups. We have become a materialistic society. Hence the norm seems to be rapidly becoming a case of individuals spending time alone within a small family unit. We are no longer our brother's keeper. We no longer care for elderly and sometimes deprive them of their birth, taking away their land and all of their different things and leaving

them to the social services, or as we would say, to “the State”.

There are three consequences to this trend: the first is loneliness. Loneliness is the biggest challenge facing our senior citizens. Many of them feel discarded and crave for interaction with other members of their community. Once again, this can easily be overcome by organising interaction with others, even if it is just to tell them about the good old days. You would be surprised to see what a difference to morale this kind of interaction would make to senior citizens. We can organise structured community activities where our elderly can meet and greet each other and pass on their craft and cooking skills and, most of all, their traditional values to our young people. Madam Speaker, our older folk in George Town would welcome a civic centre or a community centre where they could engage in these activities.

I see the Leader of Government Business acquiescing to what I have said.

Madam Speaker, the second consequence is that young people seek out their peer groups for the sake of socialising, spending an inordinate amount of time with them “hanging out” as they say. In many cases, they are led astray by their peers and often get into trouble.

Madam Speaker, over the years we have seen the maturation of our boys in all areas of development: education, social and economic. We must remember that these boys will become the husbands and the fathers of our future generations. We must equip them to take up their proper place in our society—which is not Northward or a gang. Madam Speaker, we cannot have a lost generation of young boys and men.

“Caymanian boy of old” had the tradition of going to sea. On their return they were no longer boys but men. They had been guided and mentored by older Caymanians and men from other countries on the ships who taught them to be men. They learned the value of education and did courses that they could advance in their careers at sea. When they came home from their first trip at sea they looked for land to buy so they could start building their house, and then they would look for the best girl in town for a wife to start their family. Madam Speaker, this was the birthing of the Caymanian dream. They were the architects of this Caymanian prosperity that we enjoy today. That is why they deserve the seamen benefits that they are paid now.

We must find a new and modern right of passage for our young boys and young men today, Madam Speaker. Our Caymanian men, new and old and our male partners in the private sector must take on this role, which will result in the strengthening of families in our whole community.

The Speaker: Honourable Member, is this a convenient point to take the afternoon break?

Ms. Lucille D. Seymour: Thank you.

The Speaker: Proceedings will be suspended for 15 minutes.

Proceedings suspended at 3.29 pm

Proceedings resumed at 3.59 pm

The Speaker: Please be seated. Proceedings are resumed. Third Elected Member for the district of George Town, you have one hour and 14 minutes left.

Third Elected Member for the district of George Town continuing her debate.

Ms. Lucille D. Seymour: Thank you very much, Madam Speaker.

Madam Speaker, before we left for the break I was talking about strengthening the community and looking at trends. I spoke about the vulnerability of boys and, if we are to help them in life, some of the suggestions in terms of collaboration with male mentors in order to help them. In continuing I would like to say that this problem can easily be overcome by recognising that young people need guidance and mentors to make the transition to adulthood and to make provision for this, our community.

I think it was Shakespeare who said, “The Child is the father of the Man.” All my years I never realised exactly what it was as a young kid, but I realise it now. It takes adults to nurture and mentor a child so that he or she can be the father of the man. This is quite interesting to rationalise because sometimes we think that because young people are young we must put them in an area where they teach themselves. However, research and experience have taught us that they have to have intergenerational experiences.

We in the Cayman Islands (at least some of us, most of us who grew up here) grew up with the added advantage of being nurtured by seniors. We had to work with our seniors in terms of helping them, go to shop for them, working with them in terms of carrying them to church, working with them in terms of going over and cleaning their house and those who were blind, helping them to rearrange their house. Perhaps that aspect of socialisation of young people is a little far removed from our country. Also, the fact that we are richer enables our young people too to move away from their home because they feel that they need their independence and to go and rent homes. So, what happens is, the socialisation that they need when they leave at 18 (it even worse now because some of them go to university at 17) is void of the process of the culture, morals and customs that would enable them to be better community and nation builders.

In the whole re-engineering of the education system it does not mean that when we talk about the re-engineering of the education system that we are talking just about academic education. We are talking

about all of the aspects of education in terms of culturalisation and socialisation. So, we hope too that that will be changed.

As my colleague, the Fourth Elected Member for George Town, spoke about the respect for the national emblems in terms of the flag and the National Song and "God save the Queen" and that sort of thing one would not wish to have that as legislation. I think in the whole re-engineering of the education process, those are things that we built into our school curriculum.

While I continue on the whole social landscape of our people, Madam Speaker, I speak of the third consequence of this modern lifestyle—the diminution of our social capital. Social capital is what holds a community together, Madam Speaker. The normal times are not appreciated, but when there is a crisis we depend on it to survive. We experienced it after Ivan when we looked out for each other. We can remember, those of us during those four months before we could get electricity, how we were closer to one another, how we developed better bonds and better friendships. People were able to come where we lived (if we had a place to live) and we socialised and did some of the older things that we did not have time to do, or we thought was not befitting, like cooking on a wood stove outside in a caboose, using outside means of defecating and so, because we did not have the modernity to carry on this experience, so we went back to some of those old things. It bonded us and it helped our social capital.

Madam Speaker, I therefore want to suggest, as I said before, that we do not wait for disaster to come to remind us that we must expend our social capital throughout the fair, as well as the rainy day. We need to organise activities in communities that bring people together and help to inculcate our young people in a notion of service to others. I would like to spend a little time off my text on that to talk about the whole question of service to others.

We talk about providing all of the things for young people. But, you know, one of the things that we really do not do is provide a forum for them to be of service to people. We provide all the various NGOs (non-governmental organisations), the various organisations, the various activities to placate them and facilitate them because they are bored and they need something to do, but we do not give them enough experience in helping others. Volunteering to help the needy, the sick, the blind, the old, the indigent, we do not do enough of that.

We need to organise our communities that our young people become involved in and they volunteer for the service of others.

We need to create opportunities for families and neighbours to come together on a regular basis and to get to know and respect each other. One of the ways that we can do that is to ensure that our civic and community centres are deliberately organised to facilitate the activities so families can get together. We

need to have events so families can get together. We need to have proper community and sports centres, or at least furthermore enhancing the programmes that we have so families can get together, so that you do not have the young running out on their own and the babies are placed one way and the old people stay home and the young mothers find something else to do. We need opportunities so that our people can have an interlocking effect of community spirit. That is how you build a culture because it is only through the coming together that your culture is passed down, the way we live is passed down from one generation to the other. Otherwise, if we give our young people opportunities to devoid themselves from communities that they grow up in and go somewhere else, they are going to inculcate those very habits that we do not want them to, or does not go with our way of life.

A case in point is sending our students to the USA. I have been there (I went as an older person) and you can certainly get inundated with the US culture if you are not careful, if you do not have strength of home. So, when they come back as students, perhaps we need to involve them when they have to work in the summer, in working in the more cultural activities, in the more activities that will grow on them, that they will remember and understand the Caymanian way of life.

We need to ensure that everything does not attract a wage. Perhaps my experience is my time in my life and I do not regret that. You would not dare when you did a chore for an elderly [person] in your neighborhood even talk about '*You have to pay me*'. You would not dare do something like that. That is a part of the way you grew up. You would not dare when someone asked you to go to the store ask, '*Well, what are you going to give me?*' That is a part of what you did. Perhaps that is why we at this age and this ilk are different.

What we need to do through the education and social process is bring that back. I am happy to say that community building, I believe in that, I believe sincerely in the whole question of the village. Until we do that we are not going to have a great nation which is a great nation of Caymanians; it will be splintered.

People come here, Madam Speaker, with their own cultural suitcases and that is fine. However, when they come here, Madam Speaker, we must be so solidified in our own culture that they have no other recourse but to be part of it. No other recourse.

I have a friend who went to Japan the other day. She told me she did not like it because it is all about Japan. So, what should it be all about?

[Laughter]

Ms. Lucille D. Seymour: Yet, you know, we make that mistake, too. We say the tourists come here to be served by a Hungarian, they come here to be served by somebody all the way from Australia and they come here to eat Chinese food. We are the people

going in the restaurants, but the Chinese must serve. Now, I do not know of any Caymanian who speaks Chinese. What I am saying is that the people at the forefront of our industry must either be acclimated to our way of life, or they must be Caymanians so that they can pass on to the people who come here how we live.

That is why you have the polarisation in our country. People come here too and they laugh at us. I heard the Third Elected Member talk about the flag. I remember when I was an education officer, the difficulty I had when I introduced that they must learn the National Song. The music teacher told me it was high. I said, *'I do not care how high it is. You, the musician, must know how to pitch it so that they can learn it.'* So, you have people come with their own biases and we allow them to do that.

[Laughter]

Ms. Lucille D. Seymour: Madam Speaker, one of the great things about this House is the humour, especially coming from the Minister of Transportation.

[Laughter and inaudible comments]

Ms. Lucille D. Seymour: Because he is building the great road to West Bay so we call him the "Minister of Transportation", but I want him to know that West Bay begins at the Governor's residence.

[Laughter and inaudible comments]

Ms. Lucille D. Seymour: It is good to laugh. It helps me not be nervous, Madam Speaker, and I am glad for this little levity here, although we should not dishonour your House.

Madam Speaker, I plead for more investment in the social dimension of our lands. We have to spend more energy in fostering the community spirit and strengthening the family within that social environment. Even if we appear to be going against the international trend, let us stick to the culture of our roots.

I believe, Madam Speaker, that many of the pathologies, the social ills that are evident in the USA are based on the antisocial and selfish styles that have been developed there and exported to us, back to our backyards in the Caribbean. However, if you take the time to explore, you will find that even in large urban and rural communities there are gems of social extension worthy of copying. These do not often make the headlines. We would best be advised, Madam Speaker, to resort back to those Caymanian traditions that have served us well in the past, and I spoke at length about that.

I know that the Department of Culture comes under the Minister of Education and I know that he is going to also look at the cultural policy to see that it is in sync with our political will, what it is that we want for

our country, because education and culture go hand in hand. It is not good enough to say that children must be all academic and prepared for work or prepared for career or prepared for university, but they must be nation builders and they must be nationalistic (well, I know that somebody talked about bad nationalism, but I do not understand that part) and it is only through this development in understanding our culture.

I was able to visit the eastern districts with the Minister of Tourism, and to me it was a revelation. I mean, it is so different from George Town, like chalk and cheese. That is where Cayman is.

The Speaker: We are going to keep it that way too.

Ms. Lucille D. Seymour: That is where Cayman is.

An Hon. Member: East End and North Side.

Ms. Lucille D. Seymour: When you go to Cayman Brac you go on the Bluff and you go in the forest . . . I mean Cayman Brac has forests. People might think that is a foreign word. When you go to East End and go into High Rock and you see those trees that we never saw in George Town at all, big huge trees.

[Inaudible interjection]

Ms. Lucille D. Seymour: Madam Speaker, I cannot overstress how important it is for this legislature to ensure that the cultural penetration in this country works with our culture to enhance our own culture so that our young people are able to pass on the good things and take on the experience that we had.

I come also now, Madam Speaker, to perhaps a very sensitive point (I do not think that is against parliamentary language) and I know I will get the attention of all of my colleagues. It is the economic plight of our women.

It was in these hallowed halls, Madam Speaker, in the '90s and I believe it was [19]95 that you (the Honourable Edna M. Moyle), supported, I believe, by Ms. Heather Bodden and Ms. Berna Murphy, brought a motion for the establishment of a Women's Affairs office under a ministry and it was established under the Ministry of Community Development and Women's Affairs was to be added to the Ministry's title. This was subsequently renamed Gender Affairs, the reference to women's affairs no longer show up in the name of any Ministry except in the relation to the Women's Resource Centre, which was not what the spirit of the motion implied or solely intended.

The Speaker: Thank you.

Ms. Lucille D. Seymour: Madam Speaker, while I understand the change to Gender Affairs, the spirit and nomenclature of the motion must remain.

There has to be a consciousness to ensure the economic well-being of our women, particularly as they meet their middle years in this knowledge-based economy that we have. I will repeat that. There has to be a consciousness to ensure the economic well-being of our women, particularly as they meet their middle years in this knowledge-based economy that we have.

Madam Speaker, we must ensure that our women keep their jobs and the age factor does not work against them. Madam Speaker, training, retraining, retooling must be made available so that they can move into tourism and non-traditional areas such as construction and become entrepreneurs.

Madam Speaker, as I go along my civic and political duties and as a concerned citizen, I am too often faced with the economic plight of women. This is especially evident in the spouses of our seamen. Many wives of our seamen are not benefiting from the contribution they made as the original homemakers because of a breakdown in the family unit. This is not fair to them and almost smacks of gender inequality. We, as the PPM cannot allow this to continue.

Madam Speaker, we need to make special note of the health of our women. As a result of economic inequality, they are more susceptible to stress, blues, depression, diseases of diabetes and obesity and, to some extent, seek economic solace in unhealthy ways. In many instances, falling prey to the dreaded disease called AIDS, or being exposed to the dreaded disease called AIDS. Not to say that we have huge numbers and that AIDS only affects women, but if their economic situation were improved this might not happen, lessening the incidence of AIDS in our Islands. Madam Speaker, we must fight the incidence of AIDS in our country with a vengeance. We can only do this by addressing our social and economic issues and, more importantly, our moral values.

Madam Speaker, Africa— I do not know if it will ever come back. The Honourable Minister could give me the statistics of the incidence of HIV and AIDS in Africa, and they turn it over and say we in the Caribbean have a large percentage of people with that dreaded disease. Now, we can say that the white man gave it to us, or we can say we get it from the monkeys, or we can say that it was made in a laboratory. However, it is one of the most lethal diseases in this time.

[Inaudible interjection]

Ms. Lucille D. Seymour: I will tell you something. In my own personal opinion, Madam Speaker, it has to be a paradigm shift that we as human beings make about our own human satisfaction. That is it. That is the only answer. That is the only answer for me personally. It has to be that paradigm shift that we make, and I am not here standing as any Oral Roberts, nor any great religious person!

[Laughter]

Ms. Lucille D. Seymour: I am just a humble little George Town girl trying to represent the constituents of George Town and the constituents of the Cayman Islands and to save the health of our nation. I appeal to anyone that unless we make a paradigm shift in the way we like the satisfaction of our own human needs, then this incidence of AIDS, I am much afraid, will get bigger than what it is.

Madam Speaker, colleagues, Caymanians, friends, the listening public, I want to keep alive the interest of the forgotten Caymanians who still rely on the community for sustenance. I do so not because I want some of those hardnosed carpetbaggers who see the Cayman Islands just as a place to make money would call me a bleeding heart liberal; I do so because I want to build up the social capital of this nation. The social capital, the wealth of a nation that is not taken into consideration when our per capita GDP (gross domestic product) is being worked out is worth more than gold.

We saw how important it was in September 2004 when this country was devastated by Hurricane Ivan. For those who may choose to forget, let me remind you that it was not money that kept the country going then. We had nothing to spend it on. Madam Speaker, it was the love and care for each other, the willingness to take in neighbours and friends, the willingness to share our meagre resources that kept us together and enabled us to survive. It was the social capital that came in useful and helped us to cope far better with the fallout from Hurricane Ivan.

Madam Speaker, let us build our social capital for we know not what tomorrow will bring. The way to build it is for our affluent society to learn to become more caring and to systematically reach out for those who would easily be overlooked when scarce resources are being allocated. Life will be richer with us if that is all we do in these Cayman Islands.

The Government has presented a Budget and millions of dollars are to be expended with equity, integrity, diligence, diverse schemes and needs. Madam Speaker, my conviction is that unless each and every inhabitant of this nation regards himself as an integral part of this society, as a contributor and a recipient as one for whom this Budget is being affected and will affect, we have lost the focus. The Budget is not dollars; it is we the people.

Whether you are a born Caymanian, a paper Caymanian, a permit holder, a resident, whatever the status of domicile in these fair Islands, you have a part to play. This is my appeal to the nation, Madam Speaker: that according to the American parlance this is where we are at; this is where we hang our clothes. So, it does not make sense for us to insulate and isolate ourselves from what is going on in this country and say (first of all, I will speak so I do not depict any nationality), *'We have no business in this because we do not come from here.'* Whatever happens to the

Cayman Islands while anyone is living here, everybody will receive it if it is good or if it is bad.

So, I would like to appeal to the nations that we have, that we have to come together. We really do have to. This is our place. We only have 45,000 people. You can put us all in a stadium in Miami or in the Jamaican stadium and talk to us. Our access is easy to get to know one another, so we have to join forces. We have to do it through the churches. We have to do it through the schools. We have to do it through all the organisations. We have to do it through the parents in order for us to have one country. We can have one country with different accents, you know, that is okay, but we all must be thinking for the benefit of the Cayman Islands whether we just came here yesterday or we were here 300 years ago.

As I said, again I appeal to the senses of the people, the MLAs, the Government for us to have responsibility to arise and make this little place the better for us being here. Some of the things we can do: we can throw garbage only in the trashcan; we can drive within the speed limit or we can drive when we are sober; pay our fines; bills; loans; respect the law; exercise courtesy; politeness; respect one another. Caymanians verses Caymanians. Cut the greed but labour hard. Discipline our children and ourselves. Love the country. We have chosen to live here and this is where we are going to die unless while we are going somewhere we just cut out, but this is where we are going to—

[Laughter]

Ms. Lucille D. Seymour: This is where we are going to live. Everybody has chosen to live here. Everybody deliberately chose to live in Cayman. The Caymanians have chosen, those who work here have chosen. Even this morning in the papers contractors said, well, they cannot get a job so they will not be able to come here because of the rollover. They want to come here, in our little hundred square miles. This is the best place on earth! This is paradise, and I do not say that lightly. I have travelled at least three times around the world, and every time it is here I want to come! Come back here, eat my food, live my life, get heckled by Arden.

[Inaudible interjection]

Ms. Lucille D. Seymour: Chastised by the Speaker!
I love this country!

You know what? Those permit holders love it too. Of course they love it here. Come on! You tell me somebody who does not love here. They love here and they want to live here and we should give them the opportunity provided that our people get that great opportunity, too. You notice I left all of that to other people to talk about, the rollover policy?

We must abide by the laws—

Hour of Interruption—4.30 pm

The Speaker: Honourable Member, it is the Hour of Interruption, but if you will be finished within the next five minutes . . . or, you can continue your debate on Monday.

Ms. Lucille D. Seymour: Madam Speaker, I will continue the debate on Monday.

ADJOURNMENT

The Speaker: Could I have a motion for the adjournment of this Honourable House, please?

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

Madam Speaker, I move the adjournment of this Honourable House until Monday, 8 May at 10 am.

The Speaker: The question is that this Honourable House adjourn until Monday, 8 May at 10 am. All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. This Honourable House now stands adjourned until Monday, 8 May at 10 am.

At 4.30 pm the House stood adjourned until Monday, 8 May 2006, at 10.am.

OFFICIAL HANSARD REPORT
MONDAY
8 MAY 2006
10.05 AM
Fifth Sitting

The Speaker: I call upon the Honourable First Official Member to say Prayers.

PRAYERS

Hon. George A. McCarthy: Let us pray.

Eternal God, we glorify your name and we give you thanks for giving us health and strength to enter into this day, to be of service to you and to be of service to our fellow man. Father God, we ask your special blessings today upon the proceedings of this Parliament. Father God, we pray that wisdom, knowledge and understanding which comes from your Holy Spirit, will be granted to all. We pray especially, this day, Heavenly Father, that your blessings and mercies will extend and remain upon Her Majesty Queen Elizabeth II; Philip, Duke of Edinburgh; Charles, Princes of Wales; and all the Royal Family.

We ask that you will grant grace to all who exercise authority in our Commonwealth, that peace and happiness, truth and justice, religion and humility, may be established amongst us as a people. Especially we pray for the Governor of the Cayman Islands, we pray for the Speaker of the Legislative Assembly, we pray for the Official Members and Ministers of Cabinet, and all Members of the Legislative Assembly, that we may be enabled faithfully to perform the responsible duties of the high office in which you have placed us. 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

**READINGS BY THE HONOURABLE
SPEAKER OF MESSAGES AND AN-
NOUNCEMENTS**

The Speaker: I have received apologies for late arrival from the Third Elected Member for the district of West Bay, and the Second Elected Member for the district of West Bay. I have received apologies for absence from the Fourth Elected Member for the district of George Town, who will be overseas on official business from 8-12 May.

**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.

GOVERNMENT BUSINESS

Debate on the Throne Speech Delivered by His Excellency, Mr. Stuart D. M. Jack, CVO, Governor of the Cayman Islands, together with the Second Reading Debate on The Appropriation (June 2006 to July 2007) Bill 2006 (The Budget Address), delivered by the Financial Secretary, the Honourable Third Official Member, on Friday 28 April 2006.

(Continuation of debate thereon)

The Speaker: Third Elected Member for the district of George Town continuing her debate. Third Elected Member for the district of George Town.

Honourable Member, I have been given a note stating that you have 41 minutes remaining for your debate.

Ms. Lucille D. Seymour: Thank you very much, Madam Speaker.

Madam Speaker, last week Friday I started to debate the Budget as it was presented through the Throne Speech by His Excellency the Governor, and the Financial Secretary's Address, the Policy Statement by the Honourable Leader. I spoke, at length, Madam Speaker, on the whole question of the outcomes of strengthening the family and the community, and in that I spoke about the whole question of the future of our boy child. I spoke about the economic plight of our women and, I also spoke quite a bit about crime and policing and was assured at some point in time that we certainly would get more money for help with community policing. I agreed with the Education and Training outcome and the \$48 million that we had put into our budget in order to ensure that education is the priority and that with education it will strengthen

the safety of our communities; it will strengthen the family and the community.

Madam Speaker, if these issues do not continue to be the focus of our attention, then the economic/social wealth of our country will continue to be at stake, and our people will not be able to live the Caymanian dream. I would like to spend a few minutes, Madam Speaker, talking about the whole question of small private schools, which, from my account, have an enormous amount of Caymanian children. If you look at the newspaper, you will see that quite recently two of them had not favourable results by the Inspectorate.

When we look at those small private schools, the apportioning of the grant by the government is done on a per capita basis. Now, those schools will not increase their numbers that rapidly and the formula is also based on the grant. This could apply to even small government schools. So, they do not have the resources right away to easily remediate the situation as per the assessment and evaluation by the Inspectorate.

I would like to talk on the line of: if we are really interested in ensuring that our Caymanians are well educated then we have to look in our private schools to see which schools are vulnerable, which schools are not able to have the development as rapidly as we expected in the Government schools. If there is an Inspectorate in the Government schools, the Government has the resources that can help these schools. I do not think that is quite so in our small private schools.

Where I will always push that the priority should be on state schools, and the public schools, I do believe that we need to look closely to see how these private schools will be able to remedy themselves after the Inspectorate report. It is not that the large private schools do not have issues, but I believe their tuition is greater than the smaller schools, so that when Government is apportioning the grant they get a triple effect in terms of benefit, more so than the small schools that have small numbers.

We know the benefits of those small schools. We know there are persons who have done very well in those small schools. All I am asking is that when the Honourable Minister is looking at the whole revolutionising of the schools that he takes into account small private schools and looks at where their deficits are. If their deficit is in paying staff, and the output is not bad, then perhaps that is the area that we should look at. I am not here how to tell the Honourable Minister how to do his job, but I do know from my conversations with parents from private schools and looking at them that they are having a hard time, so I would ask that we do look into that.

The Honourable Minister of Education and the Minister of Health have included in their Budget Address, and have held discussions, Madam Speaker, on the whole question of health-related aspects. Madam Speaker, we are finding out as the rest of the

world has done that as the health of our people goes, so does the health of our country. I wish to congratulate the Honourable Minister of Health for recognising this and participating in the recent initiative with his staff to encourage people to lead a healthy lifestyle.

Madam Speaker, we have come to realise that many of the adult diseases have their origins in our childhood, which leads to many diseases such as cancer, diabetes, depression, diseases of the heart, and obesity.

I am particularly happy that the Minister of Education is developing a National Sports Policy, which will include taking an in depth look at the Physical Education programme in our schools, and a broad sports programme for everyone in the Cayman Islands, including adults. In this I would hope, Madam Speaker, that there will be collaboration with parents and those providing meals at schools, because diet is such an important part of our health. Just yesterday we saw the launching of particular sodas that would be placed in schools in the U.S. which was spear-headed by the former President Clinton, because people are conscious that it is the food that will create a lot of problems for children.

Madam Speaker, our children need to develop the habit from this early age of eating balanced meals to deal with the growing problem of obesity, which is resulting in increased incidents of diabetes in adults and children worldwide. We already have a problem with diabetes so we need to deal with this before it becomes a real problem with our children. If we take a study and go back to our childhood, many people who have diabetes, Madam Speaker, as I said, we will see that it had its origin, its genesis, in what they ate as children and in school meals, and how they lived their lifestyle.

Madam Speaker, I also wish to congratulate the Minister of Health and his staff at the Department of Children and Family Services in establishing the National Parenting Programme. This can be expanded to cover many of these areas which need addressing. I said earlier, Madam Speaker, that the first learning and social institution is the home, and I am sure that the National Parenting Programme worked with the various Departments of Government, in particular, the Ministry of Education and the Ministry of Health, so that we will see a difference in the social and educational landscape in our country.

I am also happy, Madam Speaker, that the Minister is recruiting a consultant to develop a National Sports Policy for the Cayman Islands. Madam Speaker, as you know, sports are very dear to my heart. I have always looked at sports development with the same weighting as I do education for our young people because, Madam Speaker, it builds character and develop nation builders.

I have personal experience in seeing how sports have developed many, many nation builders in our country. I have worked with many of them and have seen it, and I know the value of sports when it

comes to character building and developing children broad-based in nation building. Many countries, Madam Speaker, including Great Britain, have revamped their sports programme in schools, ensuring that children, particularly those in primary years have physical education every day.

This has also been shown to help children with their learning ability. Yes, Madam Speaker, it has shown that those children who actively participate in physical education, actively participate in any physical activity, it enhances their learning. Research has shown that. At this early age, physical education, Madam Speaker, and learning go together. In our long-term planning of schools we must ensure that there is adequate space; facilities to accommodate physical activity, especially when it is too hot or raining.

Madam Speaker, when I speak about physical education, I am not just talking about games. Raising the games, yes! I include in this: gymnastics, dance, movement, spatial awareness, and ball skills, to name a few. We have to teach them the basics so that later on they can build on this to become skilled in other sports, and be able to compete well. Madam Speaker, to do this effectively, we need people who have been properly trained as physical education teachers, and who understand child development, Madam Speaker, and I would like to repeat this.

I know that people think this way: "oh, if you can't learn, you can do sports," but research has shown us that is not true. As a matter of fact, I personally have had experience, in particular in people who played netball, who are all the top students in the high school. They played, and they learnt, and they did very well. I am focusing here, Madam Speaker, on the quality of the people that work with our children, and I will not stand here and think that this is not at added cost. Of course, it is an added cost for quality staff, quality programmes. If we want to compete on the world stage, and have good national competitions, we must teach the basics and use skilled and competently trained staff. The end result, Madam Speaker, will be healthy, well-disciplined children, who will eventually be high performers.

It is not good enough, Madam Speaker, for us to hope that our children will go on the world stage. I know that the Minister of Education, who is an ardent sports fan; I know his plans. An ardent cricketer in particular, I know his plans are for us to enter that world stage. Not so much as medaling, you know, medaling we want. Of course we want to medal, but we want to be there in this global dispensation, so that we, as the fifth largest financial center, not only can boast about banking and tourism, but that we are able to train our children up so that they can participate, even if they come fourth, which is great!

Cydonie Mothersil came fourth; we know we would have liked her to come third, but she came fourth, but we want more Cydonnie Mothersils and more Kareem Streetes. Madam Speaker, the only

way we can do so, is to hire quality staff; hire quality, competent people – people who have also had some amount of success. It does not matter if you want success. Success breeds success. When we have our high performers we have to be sure that the people who coach them, train them, and teach them have had some amount of success themselves. These are things that I am particularly concerned with, and this again, is enhancing and strengthening the family and the community.

Madam Speaker, I would ask the Minister of Education that while he is looking at the education system, if he along with Professor Heppell, could try and find a way to accommodate our gifted children, so that they are challenged in the areas where they excel according to their various intelligence. Unlike other countries, we do not have developed learning centres that assist these gifted and talented children. We must spend the same amount of time addressing the needs of these children, as we do on the older children in the system.

Madam Speaker, I would also ask the Minister that when revamping our school curriculum, to try to ensure that each child leaves with hands-on skill, that can help him or her later on in life, whether as a hobby or as a way to open his or her own business. As a matter of fact, after Hurricane Ivan, many of us wished we had hands-on knowledge of doing things for ourselves. These skilled artisans were the people who got themselves up and going quickest. Today in Cayman, we recruit heavily in these areas, which are all paid well. We should all know enough that so that we will not be cheated, as with many persons, particularly women, after Hurricane Ivan.

Madam Speaker, at the National Education Conference, much was said about adult education. I know there are many high-priority areas in education, and that the infrastructure is one of these. If we want to help our people move up the economic ladder and for them to be able to help themselves with the cost of living, we need to revisit the retooling and retraining of our people.

This is not just in the academic sphere, Madam Speaker. We have the University College for that. This is more about looking at trade and skills where people can help themselves, plus at the same time make some money with their new skill. Madam Speaker, one such area where our people can earn a decent living, and take ownership of the industry, is in the tourism industry. Banking, Madam Speaker, will no longer show the returns that it used to do. It is holding its own, but not really growing or providing the additional jobs that we need to accommodate our school leavers.

Madam Speaker, tourism can become and must become that strong pillar of our economy, and provide many good jobs where our people can excel. To do this, we must have an education campaign, and a paradigm shift, starting from primary school right up to university level, reinforcing it with activities such as

the Minister's tourism "Go East" campaign. We need to have ownership in the tourism industry. We can do this by all of us supporting the Minister of Tourism and the PPM government thrust of encouraging locals to invest in smaller tourism accommodation. The development of crafts, small retail outlets, local style restaurants, and tourist related activities.

Madam Speaker, I would encourage the people in the eastern districts to become more involved in the Minister's "Go East" initiative. With this initiative, the East will develop its own special brand of tourism, and Madam Speaker, there is no doubt in my mind that the East is going to be the new Mecca of tourism. There is no doubt in my mind. It will take some time; it will take some money, but it has to be the ownership of the East, the people from the East, and when I say East, that includes the Brac and Little Cayman too because I think that is the direction they are heading, but we have to have this new thrust, we must. I will repeat and I know the people on the West Bay strip are not going to say anything when I say this: the East will become the new Mecca of tourism. It has more land! It has more culture! I know my George Town people might express me for that, but I am sorry. I am sorry. It has what we want to put into that tourism blend; to make the hospitality industry ours. We have to own it. Unless we own the tourism and hospitality industry, it will become ailing like the Immigration Department. We have to own it; we must own it, Madam Speaker. I am going to keep repeating that and my friend, the Minister of Tourism, knows how I feel about that.

I must also talk about my own district when it comes to the whole revitalisation and encouraging it, especially in the upper end of George Town: Shedden Road, Mary Street, Smith Road and Eastern Avenue could benefit from more tourism, especially cruise tourism. The establishment of the new berthing facilities at the port could help this to develop.

I am reliably informed, Madam Speaker, that Shedden Road paving is going to start tonight. I thank him very much, but I see more for Shedden Road. I see port to port from the harbour to the airport, which is just one mile. You know, those of us who have traveled to Scotland, have seen the Royal Mile – we walked it, many times I have. Shedden Road, in particular, is a main street. As I said, it is only one mile long. It can be developed into a major tourist attraction for the pedestrians, and the handicapped, who just like to stroll around town. You yourself, Madam Speaker, dream of the day of pedestrianising the business district of George Town, and I agree with that too.

Of course, we have to wait until the whole transportation plan is fully developed, so that we know how we can route out the cars somewhere else, so that the business district of George Town becomes pedestrianised and George Town becomes the city that it should be. Of course, this added thrust that I am speaking about for Shedden Road will boost the city,

and it will revitalise George Town; George Town needs revitalising, but it takes money, and a lot of people fool themselves thinking that because things happen in George Town; because it is the business district, that everything happens in George Town.

I would like to look at the vulnerable areas in George Town, and I know the Minister here has spoken a lot about it, and he has put in a Town Manager, and he has put in Traffic Wardens, and he wants to see George Town become a competitive city. A competitive city, perhaps not as busy as Miami, but with all of the trimmings that make it a great city. When the cruise people come here, it is George Town that they see first. We have to ensure that George Town is the city that people will appreciate, and prima facie, the evidence of everything good.

Madam Speaker, there has been a lot of discussion in the House and in the printed media about the cost of living. A lot of it has been directed to the Government being responsible for the increase. Most people say things are expensive, and that most residents are not able to buy them. I do agree with that, Madam Speaker. I often wonder, Madam Speaker, if it is that the prices are too high. Or, is it that wages are too low?

Madam Speaker, when one looks at certain jobs especially in the lower category, wages have not increased. In some instances, they have been lowered, because people are being recruited at lower wages. Because of this, the purchasing power of persons in this category has not increased for both the Caymanian and the expatriate worker. The benefit of importing cheap labour has not translated into an equivalent decrease in the cost of living. Madam Speaker, who is really benefiting from the importing of cheap labour? Who is really benefiting? I leave that question here. Who is really benefiting from the importation of the cheap labour? Those of us who have done some form of business subjects understand why people bring in cheap labour. They understand that. I leave that to others to develop on it. I look forward, Madam Speaker, to the conditions of living study, which I am sure will bring forth many interesting points. Perhaps it will show us that no one making less than \$2,500 per month in the Cayman Islands can survive above poverty line.

Madam Speaker, in conclusion, I would like to congratulate again, the Government for this courageous Budget. In the Budget, there are many opportunities to strengthen the family and community, reduce crime, and create a safer Cayman. It is the first time we have really taken education so seriously. It has the political will and the money to create a climate to advance our people in a real level playing field; to reach high economic strata, and to expand social capital and for the social landscape to be just right.

Madam Speaker, I would like to just make a point about a concern I have. If we do not look at this, all the other things that we have done will be to naught. We have 120 nationalities and we live and

work with them. In all of this, we see the identity of the Caymanian fading away. We see the identity of the Caymanian becoming compromised, and being smothered. We are in a position, sometimes in a quandary, to balance the rights of the Caymanian, whereas we have to provide for their economic standing, and at the same time, adhere to the rights of the workers.

Madam Speaker, here of late, it would seem that – and this has come to me – it would seem that many Caymanians see themselves as second-class citizens. Many Caymanians see themselves as not being able to have that Caymanian dream. Everywhere they go, there is a block somewhere. Where I do not stand here to blame any particular person, I believe it is a system that has gone wrong. My hope, as part of the PPM government, is that we can look after the needs of Caymanians – whether they are paper Caymanians, or born Caymanians – we have to look after their needs. We have to ensure that the identity of the Caymanian is not removed; that his hope for the dream comes true.

Madam Speaker, if we do not try to have a connection with the expatriate and the Caymanian, and we attend to the needs of the Caymanian and the expatriate, based on our laws and achieve what he wants, we will have a chaotic situation here, where there will be the “us” and “them.” Xenophobia! Hatred for foreigners; where there will be intolerance; a society that is not peaceful, and I did not grow up in that society, Madam Speaker. I did not grow up in a society of hating people but as I turn each day, whether I am walking the street, or standing by the post office, as I did this morning, you feel that hatred – and you’re talking to Caymanians – you feel that hatred, as if they have been placed in a back position. I do not think, Madam Speaker that we need to create a country so rich and full of work, so full of this, that our own people cannot get part of that. It is only people who say, “well, you know, I sold my house; I sold my this and that,” but what about the people who are here? I understand all of that, I have been in systems where you recruit people, I understand all of that. All of us, at some point in time, want to be part of this economic dream.

Madam Speaker, the biggest plea I have to the Honourable Leader of Government, and my Cabinet Ministers, is to sit consciously in arming and enabling, and working with the private sector, to ensure that all of us win. Not all of us can get Cayman status, because this is a small landmass. Not only that, it is not healthy for your country. We have seen what has happened in places like Fiji and all the other places when there is a topsy-turvy situation, and we have to be careful about that. We have to be careful about that. At the same time – we have to expand and extend the population, and we must do so consciously. When we do that, it means that some people will become Caymanians.

My plea for the Leader of Government Business whom I have all the confidence in, is for him and

his Cabinet Ministers to sit with significant people: the private sector, the schools, the churches, the family, to ensure balance, and Madam Speaker, finally, to ensure that no Caymanian is left behind. Thank you.

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

Madam Speaker, I rise to make a few comments on the Throne Speech delivered by His Excellency the Governor, Mr. Stuart Jack, CVO, on Friday April 28th, and on the Budget Address delivered by the Honourable Financial Secretary on the same day.

Madam Speaker, in reading through the Throne Speech, I see where the Government will be putting priority on better customer service by public servants. Madam Speaker, I think that is long overdue and I commend them on it.

I see where the police will be reinforcing the safety and protection of the people of the Cayman Islands and of the tourism and financial industries. I would encourage the police, Madam Speaker, to enhance the marine patrol units, that they may be able to offer better enforcement.

The Immigration Department will introduce the latest technology to detect false documents. Madam Speaker, I would encourage the Immigration Department to go one step further and introduce fingerprinting because today in many countries it is quite easy to change your identity and your passport, and we have come across that many times here in Cayman already.

I see where the National Hurricane Committee will produce a new hurricane plan that will address a number of shortcomings following Hurricane Ivan; that would be greatly appreciated.

I am also pleased to see that the enrollees at the Cadet Corps, which was formed by the United Democratic Party Government, and which teaches respect, responsibility and discipline, will be able to receive a Diploma in public service, which will be the equivalent of four GRAND CAYMANSE [General Certificate of Secondary Education] O levels.

In listening to the Third Elected Member for George Town, she mentioned the beautification committee. That is another initiative that was put into place by the United Democratic Party, Madam Speaker, and I am happy to see that is getting off the ground. The Third Elected Member also mentioned the FCCA Conference, which will be taking place, I think, in October. That was also scheduled to take place in 2004, Madam Speaker, except that Hurricane Ivan intervened and we were not able to do it.

The Minister responsible for Roads indicated that we were not supporting the West Bay road works. Madam Speaker, I just want to reinsure the Govern-

ment and the listening public that we started that project, we had some funds in place for it and the United Democratic Party supports that project wholeheartedly. The Boatswain Beach, the Royal Watler Cruise Terminal – these are all initiatives put in place by the United Democratic Party, Madam Speaker.

What does not cease to amaze me is the Government saying that they are going to borrow \$94 million dollars, Madam Speaker, but will not adversely affect the little man. Madam Speaker, that is not possible. Every one of us will be paying some part to repay that loan.

Madam Speaker, I have seen other programs or initiatives in place – these are programs that were highly criticised by the Opposition at the time, which is the Government now, but I am happy to see that they are seeing it in a different light and they are supporting these projects.

The Department of Environment, Madam Speaker, I see where they will be implementing regulations to special management areas of the North Sound. That has been talked about for many years, Madam Speaker, and there are certain areas of the North Sound that definitely need to be protected. I moved a motion, I think in 2001, to amend the Marine Conservation Law because of my concerns for it, so that is a good move and I am happy to see that the Government is appreciating the efforts that were put in place before.

Madam Speaker, I just want to reiterate that these initiatives were done because we saw the need for them and the Government is now – even though, they were very critical initially, most of them – they are now supporting them, and I am happy to see that.

Madam Speaker, I think the Ministry for Communications, Works and Infrastructure should place more emphasis on the sea defense systems meaning the coastal roads and beach cemeteries to protect them from erosion.

Madam Speaker, I just wanted to highlight those programmes and initiatives that were put in place by the United Democratic Party and to also say that the Boatswain Beach was also part of that programme. I 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—

First Elected Member for the District of Cayman Brac and Little Cayman.

Ms. Juliana Y. O'Connor-Connolly: Thank you, Madam Speaker. I just beg your indulgence one minute, ma'am. Madam Speaker, permit me first to commence my contribution, perhaps short in nature, to His Excellency the Governor for his most eloquent delivery here in this Honourable Parliament just a few days ago, and indeed, I am especially grateful for his expressed commitment to the people of these Cayman Islands, as well as his expressed commitment

and priority to fight crime and to ensure the delivery of service is the best that it possibly can be for these Islands.

All, in fact, Madam Speaker, are very significant and indeed admirable goals that have been set out with him and I wish at this juncture to wish him the very best as he diligently undertakes to meet these challenges, balancing them against, obviously, his other priorities of Her Majesty's Government. Having met him quite briefly, I feel that I can say that I am indeed confident by his refresh outlook and his innovative spirit and his courageousness as far as tackling perhaps two of the most challenging issues that are now facing our nation-country.

Madam Speaker, we would take note that budgets are very vital for the planning and control of any organisation, and for my review, respectful though it be, this Budget perhaps is no different. That is, Madam Speaker, budgets give us the authority for Ministries, for Department Heads, to incur expenditure and in so doing, to target earning for revenue. It also goes without saying, Madam Speaker, that the validity and usefulness of a budget will ultimately depend upon the people who put it together, as a budget is only as good as those who prepare them.

So then, Madam Speaker, having said that, and having perhaps taking the audacity to ask those listening to take judicial notice of this budgetary fact, and by way of deductive reasoning, I would wish then to congratulate the hard-working, efficient, dedicated, conscientious, and professional civil servants who year after year spend a colossal amount of time preparing the budget, and trying to ensure that the country gets value for money insofar as it relates to their current expenditure in any such budget. Indeed, the civil servants under the able leadership of the official arm of the Government must be commended for the way they have bounced back and indeed rose to the challenge and still rising, as we see that it is the hope of the Leader of Government Business for the remnant issues of Ivan to be concluded this year, so that there will be no need for budgetary provisions in next year's budget.

I believe, Madam Speaker, that there were many, many new, complex, diverse and nerve-racking challenges that our civil servants and indeed, the entire Cayman Islands residents, were forced to face as a result of Hurricane Ivan. In particular, our civil servants are public officers who are asked to do much more, oft-times much less, Madam Speaker, and each budget, speaking from experience and I am sure this Government is no different, they would find that they are told to cut and cut and cut especially when it comes to issues relating to women and social issues in this country. But Madam Speaker, nonetheless, their efforts, I believe, must not fall short of the admiration of one and sundry.

So then, Madam Speaker, I will seek to utilise the majority, if not all of my time, focusing on the other aspects of the Budget, and the Throne Speech, where

it relates to: 1) policy, 2) capital expenditure, and more specifically, how these two issues relate to my own constituency of Cayman Brac and Little Cayman. In fact, Madam Speaker, I can say right up front that the majority of my remarks, if not all, will be concentrated on the constitutional responsibilities which fall under the auspices of the Honourable Leader of Government Business.

Madam Speaker, the Honourable Leader of Government Business' policies are of paramount importance to me and to my constituents because, you see, the people of Cayman Brac and Little Cayman – for them, the Budget is more than a mere exercise, but it is done once a year. Indeed, Madam Speaker, the Budget is the lifeline of Cayman Brac and Little Cayman, as the majority of the people there are directly reliant on the Government for the provision of jobs, education, health, social problems, and generally speaking, infrastructure on the whole. One then might rightly ask, Madam Speaker: Is this an ideal situation? The answer must always be a resounding 'no', but the fact of the matter is, Madam Speaker, that is the situation at hand in Cayman Brac and Little Cayman and it will continue to be for some time because of the entire demographics of the two Islands there.

Madam Speaker, we do have an evolving private sector, and I am grateful that over perhaps the past decade, we see evidence of positive movement in the private sector. However, because we are not orientated from a business and financial perspective, perhaps of that which we see in George Town, and because the policy has always been implied, if not in fact said, that we did not want to discount financial jurisdiction in Cayman Brac and Little Cayman, it is going to take perhaps even a longer time for us to see our private sector evolving to a state where we can create a sufficient number of white collar jobs within the community, and that is no particular fault of any one Government, that is just the way our economy has evolved.

Any Government can only look at it and try to make the best incremental development that it can. You see, Madam Speaker, it is not a position where you can just give it one quick economic booster shot because we also have to balance the social factors and the persons that are in the Island, and I certainly – and I am sure I can perhaps, by implication, speak for my Honourable colleague, the Second Elected Member, in this regard: the people of the Brac are very reluctant to overnight development and they would wish to, perhaps, preserve the tranquility and the safety that we do enjoy on the Island while at the same time looking forward to some optimistic development at a pace which we can observe within our community.

Madam Speaker, taking all of this into consideration I still believe that I can be bold enough to say, and I am sure you will concur having made several visits to the Brac and being quite familiar with the train of thought that often emanates from our residents, that in no form or fashion do the residents of Cayman

Brac wish to adhere to a "rich man Lazarus" modus operandi, shaping the policy or the budget. There is no pun intended with that statement, I am speaking generally. You see Madam Speaker, the constituency, which I am honoured to represent, do not, and let me repeat for emphasis: they do not, Madam Speaker, labour under the misconception that the annual budget event is a ballistic process where a lot of work is done. A lot of press exposure is evident, or even procured, and then a button is pressed, and you are immediately escorted into a realm of utopia; far be it, Madam Speaker.

The needs of Cayman Brac and Little Cayman are unique, and that is not a new concept. Nonetheless, it will require checking of the budget continually for any mistakes, any delays; it is often a matter of life and death for my people, Madam Speaker. No matter how excellent those who try to predict the budget may become, no matter how good they predict the future, no matter how good the plans are for the future, at best the future is always unpredictable. Madam Speaker, for what it is worth, I would respectfully urge the Leader of Government Business who has responsibility for Cayman Brac and Little Cayman to analyse the differences between the actual performance of the budget and the budgetary estimates, to monitor discrepancies, and most importantly, to have a practical contingency plan for the unexpected, for the overriding and unforeseen circumstances.

You see, Madam Speaker, it is also my earnest hope and indeed it is my prayer that no attempt is made to confuse the needs of Cayman Brac and Little Cayman with any individual, with any movement, with their specific needs and desires to achieve. Perhaps there will be common ground but inevitably, Madam Speaker, there will be distinctions. This leads me then, Madam Speaker, to the Leader of Government Business' buzzword, and strategy of embracing Cayman Brac and Little Cayman which, out of the abundance of caution of anticipated relevancy at some stage, I would respectfully draw your attention to page 18 of the Honourable Leader's address: "Keys to our Future, Leadership, Compassion, Prudence and Vision: Embrace Cayman Brac and Little Cayman."

Madam Speaker, this PR perspective, and it has become that, Madam Speaker, is perhaps his branding for Cayman Brac & Little Cayman because he has been known to say that he always liked to keep one ace in his pocket. I know, you see, Madam Speaker, that this choice of words, regardless from whom it emanates, is not accidental. What I would really like to know, Madam Speaker, is what it really means. So, Madam Speaker, being the person that I am, for almost one year I have sat quietly, peacefully, unobtrusively and pondered, "what exactly does embracing mean?" I even thought that through practical exercise, perhaps through a scientific osmosis that I might have seen the experiment of embracing; felt the warmth of it in my people, and through that, have a very vivid connotation. Unfortunately, almost one

year, that has not become reality. So, I did the prudent thing, Madam Speaker, I thought that if I was to truly understand, truly be able to partnership for the benefit of the people without giving it lip service that first and foremost, I myself needed to personally become fully cognisant of what the terms “embracing Cayman Brac and Little Cayman” meant, and then to look in the budget for evidence thereof and to look at the performance record for the past year for evidence thereof.

So, Madam Speaker, in order to formulate the policy, I am sure the Honourable Leader did pay due attention and diligence to this buzzword and indeed, I would venture to say that it was the genesis of his policies as it related to Cayman Brac and Little Cayman. Madam Speaker, I commenced my research by looking at Webster’s New Explorer Dictionary, and it said that embracement is firstly: to cherish and love. Now Madam Speaker, that should be very easy to achieve without little effort, after all, the Leader of Government Business is a fellow Bracker, and Brackers are, I believe, genetically encoded with a special love for the Brac, and by the same token, for Little Cayman. I believe, Madam Speaker, that the Second Elected Member from Cayman Brac and Little Cayman correctly stated, in his contribution, when he was referring to the issue and policies under the ambit of social services, that someone ninety miles (I am paraphrasing the Second Elected Member for Cayman Brac and Little Cayman) from the Brac could not be expected to deal satisfactorily—that is the operative word—with the issues and responsibilities. He therefore concluded that in as far as it related to social services, it should be delegated to someone on the Brac and he suggested perhaps District Administration.

I then thought, Madam Speaker, that I could perhaps give the Leader of Government Business credit because he has, at least, attempted to make the Second Elected Member from Cayman Brac and Little Cayman a de-facto Minister, so perhaps he has covered his base in this attempt. Then I realised quickly, Madam Speaker, that the Leader of Government Business does not have the authority, neither does he have the constitutional responsibility or ambit to do any such thing. You see, Madam Speaker, firstly, the Cayman Islands Constitution, whether it is the substantive law back in the early 70’s, or as we look on to the various and numerous amendments until present, as far as I can see – and I try to keep myself up to date as possible – the Constitution of the Cayman Islands does not provide for such an arrangement. So, he is either, in my respectful opinion, in breach of our sacred Constitution, and so, Madam Speaker, is embracing and bordering on fornication or an illicit convenient affair? I leave the question.

Secondly, Madam Speaker, the Leader has no mandate from the people for such an arrangement. As you see, they themselves have said even in this debate that they ran nine seats – I believe it was in the Leader’s address itself. Madam Speaker, may you

please give me your permission, I would like to refer to the very first paragraph which means it must have had some pre-eminence and priority.

The Speaker: Go ahead.

Ms. Juliana Y. O’Connor-Connolly: Thank you.

It said: **“It is almost one year since the PPM Government came to office with an overwhelming mandate from the people of these beloved Cayman Islands. Indeed, that mandate is such that while we only ran nine candidates in the General Election, we actually have 10 seats in this honourable House.”** Now, Madam Speaker, this is not the forum to take issue with that particular political aspect; I am sure that will unveil itself in due time.

What I would like to say, Madam Speaker, is that if, in fact, embracing was genuinely what it should mean, then we would not have a situation of a de-facto Minister, but, in fact, when I myself put forward the motion to make my colleague the Second Elected Member from Cayman Brac a Minister in the Leader’s Government, there was no support. I understand the politics of that, Madam Speaker, and I am not wronging the Honourable Leader, nor indeed, his Cabinet Ministers for that because you need to have an ace in your pocket and you have to do what you have to do. However, what I am saying, Madam Speaker, is that if we are going to look at a document such as the address by the Honourable Leader, which will set the policies certainly for the next twelve months, then we have to make sure that none of those policies are ultra vires, and I respectfully submit that the policy of the arrangement, which certainly I myself and the people of Cayman Brac have to live with until there is a change of the Constitution, is one whereby the Minister has delegated some, if not all of his responsibilities, as far as they relate to Cayman Brac, to my Honourable colleague, the Second Elected Member. What I am saying, Madam Speaker, is that embracing to that regard is not satisfactory for the people of the Brac but he should ensure that that Member takes one of his Minister’s seats when the Constitution is changed if the embracement is going to be exactly what he intends it to be, Madam Speaker.

Madam Speaker, ‘embrace’, I learnt also meant to take up and adopt. Now, Madam Speaker, for sure, the policy of embracing the Brac and Little Cayman cannot mean adopt because we are three Islands, but one Cayman Islands. Furthermore, since the Honourable Leader is a Bracker, it is sure difficult to comprehend how one can adopt one’s own self. Enough said on that, Madam Speaker. Finally, to embrace also means to comprehend and to involve; very important for representatives, Madam Speaker. This sounds good! However, when it comes from the Honourable Leader of Government Business perhaps it does not sound as good as it should be because you see, Madam Speaker, a person who comes from the Brac – one would expect him to know his people

and the Honourable Member has been a Member of this Honourable House for the past fourteen years. So, I know, Madam Speaker, that he is not telling the people of Cayman Brac and Little Cayman that all of a sudden now he wants to involve them, he wants to embrace them, and if so, Madam Speaker, then I respectfully submit that in the interest of transparency and accountability, two other important buzzwords, that the Leader of Government Business, in his contribution, should tell the people of Cayman Brac why all of a sudden at this juncture in his political career it is so important for him to involve the people of Cayman Brac and Little Cayman. Does he see this, Madam Speaker, as another opportunity to have another ace in his pocket? I leave the question, Madam Speaker.

I just cannot help but to conclude, Madam Speaker, that the whole concept of embracing is nothing more, in my opinion, than a fallacy, because if the Honourable Leader really wants to truly embrace Cayman Brac and Little Cayman he would have given his adopted Brac Member, the tenth seat, a seat on his Cabinet, and there would have been no need now or in the next three years to try to promise and convince the people of Cayman Brac and Little Cayman of a paramour relationship.

Madam Speaker, as Leader of the PPM Government, indeed he has championed and quite successfully, I might add, that help is on the way. As constitutional reform is on the agenda, I am still somewhat optimistic, Madam Speaker, that when the Constitution is changed, and I believe, the number is for two more Cabinet Members to be added, that Cayman Brac and Little Cayman will get one of those Cabinet seats. Then, Madam Speaker, as I thought through the night, that optimism began to slip, just a little bit perhaps, because you see one of those Cabinet seats also needs to go to the Member of North Side, Madam Speaker, who, I submit is quite deserving, quite experienced and perhaps you can tell her that when you see her, Madam Speaker, and who has always taken a very positive step in the decision-making process. So, will this happen, Madam Speaker? Or will the Leader reserve the seat in Cabinet for one of the two new members in the by-election?

I almost forgot, Madam Speaker, because the Honourable Leader has indeed promised under the constitutional reform that the Governor mentioned in his Throne Speech, that no changes would be made to the Constitution unless it was as a result of a referendum. So, what a dilemma, Madam Speaker – it is sure going to take a whole lot of trusting, especially when the Leader of Government Business holds the philosophy that there is no loyalty in politics.

Let me now turn to an issue near and dear to my heart, indeed of much interest to the people of Cayman Brac, in particular, and that is the urgent issue of affordable housing.

During my tenure, Madam Speaker, in the previous Cabinet, it became increasingly clear that there were a growing number of persons on Cayman Brac (and to a lesser extent in Little Cayman) who were in dire need of affordable housing. As I went from district to district in the constituency, I would see that for a number of years that children: daughters and sons, had in fact cohabited with their parents and in some cases with their grandparents and for a while that perhaps might have been satisfactory, but once they themselves began having offspring it became an untenable situation; however, because our economy was not as buoyant and as prosperous as our bigger sister Grand Cayman, access to affordable capital was a very, very concerning issue.

I immediately discussed it with my then-staff and I must give credit to them because the good Permanent Secretary and at the time Mrs. Christine Maltman who had the charge for the Brac, immediately went to work to ensure that policies were put in place immediately so that we could realise proper, and I stress that Madam Speaker, proper affordable homes on Cayman Brac and Little Cayman.

I believe Madam Speaker that because I stressed the fact proper, it worked to my detriment in that I fought and will continue to fight that we did not have the establishment of the metal homes on Cayman Brac, and I am not here arguing for the pros or the cons of it, but I felt certainly for my constituency that they were not what I felt was appropriate for them and so from the very beginning, Madam Speaker, I insisted that these affordable homes would be constructed from cement.

Therefore, Madam Speaker, it amazes me now that the propaganda machine is out saying that they had to take control and for the avoidance of doubt I am not referring to the Leader of Government Business in this respect, I am referring in the local scene, because I wanted to bring over the metal homes and all sorts of rubbish.

Madam Speaker, I have learnt in my almost nine or ten years that whenever a politician, be it a backbencher or a Minister, undertakes a project within one's constituency, the more propaganda, the more lies, the more persons become economical with the truth, the more resistance that one gets, the greater the evidence that it is not only a good idea but in many instances a "God" idea. I am therefore convinced that the housing project was a good idea when I wanted to do it, and indeed, it is still a good idea now and I commend the Honourable Leader for carrying on the housing initiative with the \$800,000 that was put there adding, I believe, \$40,000 last year and this year I believe another \$300,000.

Yes, from my understanding, Madam Speaker, there has been conspicuous changes in the policy and I am sure there will be other times for debating the pros and cons of that, but I believe the general idea is the same with myself and the Honourable Leader, as far as appreciating the urgent need

for establishing housing for Cayman Brac and Little Cayman, and as well, for the continuation of the housing in the five districts here in Grand Cayman.

Madam Speaker, the housing policy as I envisioned it, and I understand that they are the Government and have all power to change it, whatever shape and form they wish to, but it was envisioned to accommodate those persons within the community who, as I said, had difficulty accessing the commercial mortgage rates because of the rising cost of interest and other associated costs, but certainly not those within the social services basket as it were. In other words, Madam Speaker, the homes were never envisioned to be handouts to persons within the community.

Madam Speaker, I am getting some body language to perhaps elucidate on that matter and I can do that with your permission. I, Madam Speaker, believe that I must take some time here to expound on this issue not only because it is of national importance, it is of domestic importance to my constituency, but because as I am on the ground in Cayman Brac and Little Cayman, there are many mischievous things that are mushrooming for the want of better word on the Island relating to the affordable homes, which either have directly attacked my own personal integrity, questioned my motives for doing the homes, questioned my capability for putting the policy together, and I feel that the time has come where persons both here, Brackers who wanted to perhaps be able to bid on the homes and return home, as well as those on Cayman Brac and Little Cayman, are taking my silence and my usual nature to be peaceful as far as possible as two things, Madam Speaker: 1) a sign of weakness, and secondly Madam Speaker, well, perhaps three things; a sign of unconcern and uncooperativeness, and lastly, Madam Speaker, as a sign of not caring.

Madam Speaker, those obviously who know me much better know that when I entered the service to my constituency that it was not handed to me, Madam Speaker, on a silver platter, and neither did I come from an economic, political or social background that made it easy to occupy a seat in this chamber. I believe the Lady Member from George Town eluded to a similar type of struggle to be here today, and when I get an issue, I have never gotten an issue because it was going to improve my personal self or that of my family, Madam Speaker, which is another one of the mushrooms, but because I have walked the walk, I have felt the pinch of the shoes of those persons without shoes or without financial assistance or without education.

I know what it is, Madam Speaker, to 1) overcome those struggles, and 2) to be able to sustain the pressures when you have finally began to overcome those social stratifications that have become hurdles and indeed, slavery from an intellectual capacity for so much of my people, certainly for Cayman Brac and Little Cayman. That is why, Madam Speaker, I get so

passionate and so moved when I hear the nonsensical and indeed tautological arguments that come based purely of a political nature from some of the footmen and the lieutenants out on the street that do not champion the cause and platforms and try to make a difference, but perhaps try to put the red herrings in.

Madam Speaker, I thought that perhaps I need to commence today to set some of those things straight, and I hope with most sincerity, Madam Speaker, that I will not have to have another occasion because those of you that know me in the House know that my style of debating often falls far from the style that I have chosen here today. Even the Good Book says, Madam Speaker, there is a season for everything, and today is the commencement of that season because my people are suffering, Madam Speaker.

They are suffering, Madam Speaker. The Second Elected Member for Cayman Brac got up and rightly gave much emphasis on the cost of living. Here on Grand Cayman, perhaps there are options although having talked to many of my friends they too are suffering. Check the Brac and Little Cayman, Madam Speaker. Those of us who were in the middle income have for a number of different reasons been pushed back to the lower income. Madam Speaker, if we know the pain, the suffering, the financial hardship that is being endured by the extrusive factors, can you then imagine what the proverbial little man and woman is feeling on Cayman Brac and Little Cayman.

We have people on Cayman Brac and I know they come to me, Madam Speaker, even on Sunday, which is my holy day, asking for assistance and these are not the people who want to drink or do drugs or what have you – these are people who have genuine needs for their children in college Madam Speaker, but cannot send what they were able to send the little \$100 or \$50 or \$200 to their student. These are people who have rising and rising utility bills and by that I mean light bills, Madam Speaker, and we know, we understand from the Second Elected Member, the component of the rising element of fuel and they have to run a business so they have to realise a profit, but the reality is that there are bills to be paid by the common man and, Madam Speaker, how can you survive as the Member from George Town eluded to in her conclusion remarks, when salaries for many of my people are less than \$3 an hour, Madam Speaker.

Every time you talk about a minimum wage, you term as being radical, Madam Speaker, we must move away from those types of ideologies because we can come and present pieces, we can be eloquent, we can be confident, but many things that we say here, Madam Speaker, in particular when we come to the Budget, affects human beings, children, young people, middle aged, and the elderly, and therefore Madam Speaker, I have no time for the politics of the issue.

I can work with anyone in this House and I can look them in the face and tell them that, Madam Speaker, regardless of whether it is PPM, UDP, or independent, when it comes for the interest of the people. There is a little calypso song that says “don’t back back,” but when you come to my people, Madam Speaker, not you personally, but generally speaking, you do not mess with the First Elected Member from Cayman Brac because I will not tolerate it, Madam Speaker. I have taken it for one year and I was prepared to do as I have always done: take the silent way out, as I have learnt in my Christian walk, but as I have gone, especially in recent weeks, home to home listening and talking to people, seeing the single parents, some out of initial choice, some out of divorce because of husband leaving for drugs or what have you, having their children there without food and yes, Madam Speaker, it is happening on Cayman Brac. Make no mistake, there is poverty in the Cayman Islands, and I cannot help but eagerly anticipate the poverty report because I believe it is going to give a wake-up call to all of us in this Honourable House when we see that there are people in our fifth financial centre who are meeting hard times, Madam Speaker.

Now, Madam Speaker, am I saying that I lay blame at the feet of the Honourable Leader of Government Business or his PPM Cabinet? No, Madam Speaker, this is a problem for the entire membership of this House and a problem that we can only begin to correct when we come together on national issues like that to find satisfactory answers. Madam Speaker, I cannot speak for the other five districts here because I am not intimate with what happens on a day to day basis. Members can speak for their own constituency, but I certainly know the Brac and Little Cayman inside out. We are fast becoming where there is a minute percentage that can survive no matter what the economic onslaughts are, but there is a growing majority that are going to be the forgotten Bracker or Little Cayman if we do not address the situation quickly.

For a number of years, a number of years, and I stress number, to show that it is not just the PPM Government; it has been successive governments, Madam Speaker, that have talked about back-office work on Cayman Brac and Little Cayman, but we have reached a stage where we cannot afford, in its literal sense, any more talk. We must see action in this regard. I know that there are financial constraints, Madam Speaker, I have done budgets before, but when we go, Madam Speaker, to borrow \$93 or \$94 million, I cannot help but ask, Madam Speaker, why could not more of that money together with current cash reserves, current income, be used to even extend my good friends policy, the Member of Tourism “Go East” policy. Let me say right here and now, Madam Speaker, I am appreciative to the Honourable Minister of Tourism for his approach that is he taking to the Brac with tourism, not only from a financial perspective but from a policy perspective, Madam Speaker, and I believe that is so for the majority of the

Ministers in Cabinet. However, Madam Speaker, it cannot be done in isolation and the name of PPM, by any one Minister. Yes, I understand the politics, Madam Speaker, of preserving the seats, of preserving the power, of preserving the authority but what about preserving the well-being of the people of Cayman Brac and Little Cayman?

Madam Speaker, this has taken a number of forms. Things as mundane as e-mails; as a matter of fact I received one late last night advising of His Excellency the Governor’s visit to Cayman Brac and Little Cayman. It is addressed, obviously, to the Honourable Leader – correct protocol, the second one is the Second Elected Member for Cayman Brac, the third one is the First Elected Member for Cayman Brac, and as I read it, I said maybe it was a Freudian slip, a scrivener’s error; not to worry, and then as I got within the merit of the e-mail I noticed that it was repeated that it would be sent to the Administrative Officer responsible in the Ministry, Miss Leyda, and then it would be sent to Miss Liz Walton, and it would be sent to my secretary Miss Laverne. Twice, Madam Speaker, in the same correspondence, having looked at what has transpired in the past year, it cannot help but leave one to wonder: is this the weave that is being spun for that final ace in the pocket?

I hope not, Madam Speaker, because you see the people of Cayman Brac and Little Cayman have never ever taken well to outside advice when it comes to choosing their representative; it was tried once and you were around at the time, but you were not the one who tried it, I must add, because these days you have to be extremely careful with what you say so that blame will not be wrongly apportioned. That person never won their seat, Madam Speaker.

The people of Cayman Brac, yes, we do not all have tertiary education, but we have gone through the institution of hard knocks, not out of desire, but out of necessity, and therefore we conclude, time after time, that we are more than able to make up our minds as to who we want to represent us. I am so grateful that I certainly lived to see the day when some of those social stratifications that have been put in place from time, in Memorial, has begun to erode and not only that a woman was able to come forward, whether or not it was me matters not, Madam Speaker, but that was a woman was able to rise into those ranks, but secondly, Madam Speaker, a woman of no means – the Cinderella of politics – and that has carried a very, very hard price, Madam Speaker, but let me just say here and now that just as how the Cinderella in the fairy tale has an indent, one part of the formula has obviously been forgotten, and that is the formula that says “no weapon formed against me shall prosper.” I have proven it, I have tested it, I have tried it, and I am going to go forward with it, Madam Speaker.

The Speaker: Is this is a convenient point to take the morning break?

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

The Speaker: Proceedings will be suspended for fifteen minutes.

Proceedings suspended at 11.35 am

Proceedings resumed at 12.04 pm

The Speaker: First Elected Member for the district of Cayman Brac and Little Cayman continuing her debate.

First Elected Member for Cayman Brac and Little Cayman.

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

Madam Speaker, just before we took the break I was almost complete in my remarks as they related to the affordable housing in Cayman Brac, and I would wish to perhaps now quickly conclude those said remarks.

Madam Speaker, Members will obviously be aware that some years ago the government, through Finance Committee in this Honourable House, purchased some 40 acres of Crown property adjacent to the West End Primary School and for the avoidance of doubt that was one of the areas that had been identified for the placement of the affordable housing scheme. The second area, Madam Speaker, was property that was budgeted and purchased in the 2004/5 Budget under the various allocations. Several pieces of property, the last remaining property I believe was finalised by the Honourable Leader of Government Business early in his tenure for the property.

So, we have sufficient property for the placement of the homes, and I believe, Madam Speaker, that we also had a good start with the \$800,000. Even with the allocation that has been put in, obviously the vision was that there would have been a similar, if not increased allocation of the \$800,000. I am made to understand that there is a change of policy which I am yet to hear. Perhaps we will hear it when the Honourable Leader gets up as to the utilisation and the whole financial arrangement for accessing these homes where I believe it would benefit all and sundry to hear at some early stage which perhaps would be preferable.

From the outset, when the parcel of the 40 acres were identified for the affordable homes in the West End area there was, again, the propaganda machine that began going up and down, mushrooming about, not wanting affordable homes within that area of the constituency and it was going to be taken away from the property of the school. In fact, Madam Speaker, they went so far as to sign a petition. Can you imagine? A petition against the placement of affordable homes on the Crown property under the dis-

guise that it would be taking away the property from the West End Primary School and that is why I went to length to say that there were 40, four zero, acres of property there, and we were only seeking at that time to place five homes under the first phase of the project. I am happy that the two projects seem to be going forward. I understand that there is going to be some shifting of the homes and I find with much amazement, Madam Speaker, that the main proponent of the petition is now a government member on the housing cooperation. Nice balance, Madam Speaker, but I will be watching with an eagle eye to see how it all transpires.

Madam Speaker, I would also wish to say that I hope it is only purely a rumour, a figment of one's imagination, an unsubstantiated statement lacking much fact when I am being intimidated almost on a daily basis that when persons attempt to access the system, which in itself, Madam Speaker, has become quite a challenge. If we roll back our memories and refresh our minds, what has transpired to date during question time—I believe it was in Finance Committee or it could have been supplementary questions, a substantive question to the Honourable Leader—we were told that the applications for the housing could be submitted to district administration. This was very well and fine; very fair and transparent. It gives a lot of scope for accountability. Then, Madam Speaker, when I pressed the issue some, the Honourable House was informed that the applications were not yet ready, and unless they were made ready since yesterday at five o'clock the applications are still not yet ready for the affordable homes. So, it not only bemused me and puzzled me then how they could be submitted to district administration when they were not yet drafted, but I am still left trying to figure out how that could be. Maybe it is through the advent of IT. Who knows?

Madam Speaker, rather than spending some time then those responsible for policy, which would be, fortunately or unfortunately, the Honourable Leader of Government Business in this regard, and rather than directing or mandating that an application was put together so that everyone in the community who needed access would have equal access, instead we are being told—delayed at that, Madam Speaker—that you should write a letter to the Chairman of the Housing Corporation. When one makes an inquiry as to what the content of this letter should have just to make sure that there is quality and parity, in the composition of these letters which have now been taking the place of an application until we see an application, and which lends to much subjectivity, Madam Speaker, unless you go to certain ones in the community and ask them, *'Massa, can you write me a letter?'* I trust we have not reverted to that, Madam Speaker. Some who are in need of this housing in our constituency do not have access to computers; they do not even have access to typewriters.

So, Madam Speaker, we see our regime that is somewhat troubling and causing some concern if we are already setting up these social economic silent barriers. I would therefore implore, Madam Speaker, whether it is the Honourable Leader of Government Business, or whether it is my colleague the Second Elected Minister who has been delegated ministerial responsibilities—

The Speaker: Honourable Member, I think he should be referred to as the Second Elected Member for Cayman Brac and Little Cayman.

Mrs. Juliana Y. O'Connor-Connolly: Thank you, Madam Speaker. The Honourable Leader of Government Business and the Second Elected Member for Cayman Brac and Little Cayman, the now added tenth seat to the PPM movement. Madam Speaker, I would urge those two persons who have direct responsibility that they would use their best efforts to ensure that a simple straightforward application is drafted so that the people of Cayman Brac and Little Cayman cannot only have access to them and have an equal opportunity to them, but indeed, can have them completed without much hardship.

Madam Speaker, I understand that some people are being told that they are still to be submitted, as the Honourable Leader indicated in this Honourable House, to the district administration building. I also understand that the Chairman of the Housing corporation, which I must add, Madam Speaker, for way of evidence that the same incorporation documents with very few, if any amendments were drafted as a result of a mandate that I gave to my ministry staff to get a private sector attorney so I would not be accused of drafting my own legal documents, to put it together. I am glad that the Leader of Government Business saw the wisdom of that and indeed continued on with it.

The only change that I could find was the change of the directorship and I had no difficulty with that because I believed what they said in their manifesto. I believed what the Honourable Leader of Government Business said, that they would be open and transparent; there would be no nepotism and there would be no cause for concern with the carrying out of their duties. Madam Speaker, because very little duties have been carried out, I therefore would reserve my assessment on their performance until they have been given a fair opportunity to operate. Having seen the membership save and except one particular conflict, I have every confidence that if given the right mandate and left to carry out their duties without any interference they would do a good job, Madam Speaker.

Madam Speaker, I also wish before leaving the topic of affordable housing to perhaps pull the carpet from underneath the last disturbing factor as it relates to affordable housing. That is, Madam Speaker, a factor that is not often spoken about, but certainly, we on the Brac and those of you who have

taken the opportunity to visit our shores and to embrace what needs to be embraced on Cayman Brac and Little Cayman does not take a very long time to understand that although we are perhaps thousands of miles from South Africa, somehow or another in the Atlantic transition there are still remnant of the ideology within our community. Unfortunately, that seems to be the genesis of this rumour I wish now to put to rest and trust that the Leader of Government Business will do his due diligence and find out whether or not this is the case and if so, put an immediate stop to it.

I understand you see, Madam Speaker, that when persons write this letter to whoever it is supposed to be sent to, we are not all together sure, that some of them have been told, *'Well, you cannot get a house on the West End property because we, number one, do not want affordable—sorry, Madam Speaker, let me say the exact words. 'We do not want low income homes in our neighbourhood so you will have to go the Watering Place property'*, same birth place of myself, Madam Speaker. You know, Madam Speaker, although it did not 100 per cent surprise me I would not be forthright with this Honourable House if I did say that it did not greatly distress and disturb me.

Here we have a situation with an issue as important as housing, certainly in my constituency, where the time has not been taken for whatever reason, good or bad, to draft a simple application form, but they are being told—and I will not call names today but I can if I have to—that they must chose Watering Place to reside because they do not want them in West End. Now, Madam Speaker, that is not the Cayman Brac and Little Cayman that I have worked very hard to assist. That is not the type of culture or heritage that I believe any government including this Government, want to put forward.

That is why I respectfully asked the Honourable Leader if he would do his investigations to ensure that this does not become a reality, because, Madam Speaker, not just one or two persons, but I have had at least half a dozen good citizens come to my house tearfully saying what was said to them. I have tried my best to encourage them and say, *'Look. No, that does not exist anymore. Write your letter in and if you need help. . .'* I gave them some people that could assist them with writing a letter including Mrs. Ryan in my office, also being cognisant that I wanted no element on the application or letter that would be a deterrent to them. I must tell you, Madam Speaker, that I sincerely feel that even have my assistant, Mrs. Ryan, put her signature on it would be a deterrent and if I am asked to prove that I will prove it, Madam Speaker.

Now let me move on from housing. Madam Speaker, we will also find that when it comes to the applications for education scholarships, I am going to ask my friend and colleague the Honourable Minister of Education to keep his usual analytical eye on the same position because representation has also been made in that regard. Thankfully, we have two good representatives from the Brac, Mr. Jonathon Tibbetts

and Mrs. Laverne Ryan who have been placed on the education council, and I have confidence that they will not make this a political exercise, but I have even more confidence, Madam Speaker, after a discussion I heard just on Friday, that the Minister responsible for Education has taken the approach that regardless of the person or the family there will be a level playing ground and I am grateful for that, Madam Speaker. Credit is due where credit is due, Madam Speaker.

I would also wish to thank the Second Elected Member from Cayman Brac and Little Cayman for acknowledging in this Honourable House when he made his contribution a few days ago, that the Sports Complex on the Bluff was a project which was initiated by myself and which was taken to such a stage as I had authority to do until 2000 as Minister. Madam Speaker, Members will recall that in 2001 when the now Leader of Government Business' government was in power with its composition, that for whatever reason the sports project did not receive the blessing within the Budget and they were the government so that was an authority they had.

Madam Speaker, things such as the sports complex that is so important to our sports development, I am happy to see that we have made a 360 degree turnaround and that although when I was trying to do it over a number of years it was the worst thing and it was a waste of money and that people did not need it and all this nonsense. Finally, I have lived to see the day, behold, to sit and listen with much anticipation and excitement that this same project – no change, same artificial turf – warrants the support of this House. Again, it was the Minister of Education who now has Sports that I am sure assisted with ensuring this was one area that was not cut. For whoever promoted it or assisted it, I give them thanks, because it is not about this Elected Member, Madam Speaker: the people have long needed that facility.

You know what is ironic, Madam Speaker? When I was the Minister of Sports, I had the opportunity to continue and in some cases commence sporting facilities in every single district in Grand Cayman; every single district, Madam Speaker. When it came to my own district, being one of the last districts for completion, support was so limited. In fact, Madam Speaker, I vividly remember sitting across there as a Minister when the Honourable Leader of Government Business then, on the Opposition, was what I believe genuinely attempting to see me get the passage through this Honourable House by way of mitigation saying, "*just say it is going to be a play field, do not say it is going to be a sports centre.*" A piece of loaf is better than one, Madam Speaker, and I proceeded with the good advice, and low and behold, we are having a sports centre by the same Government, and it is the best thing since slice bread.

Now, Madam Speaker, those good common sense logical Cayman Brackers and Little Caymanians, I would ask them, and indeed, Honourable Members of this House: just exercise a little bit of in-

tellectual capacity and do a bit of deductive reasoning and find out which element in that formula is absent, and if they can find another element that is absent except this Member, then see me over lunch and tell me what that element is. Nonetheless, Madam Speaker, you will see that when I was Minister of Sports, I did not name any facility after Juliana. Neither is that my intention now, and in fact, when one looks at the record of Cabinet and the trend to see who got Queen awards, they will also see that Juliana did not seek, and neither am I now seeking, because those rewards are vain vanity – I have a greater calling, Madam Speaker.

Madam Speaker, I said then having spent four years studying and majoring in physical education, and being fully cognisant as a sportsperson of the necessity and the importance of sports to this country, that although our population was below 2,000, I found it necessary to be proactive and put in necessary sporting facilities in my constituency; not to add it to a monument because if you look at my manifesto you will see that much was accomplished with little. I am grateful to the Leader of the Opposition for the support that he gave me, Madam Speaker, even with the same housing – the homes. When I was being penalised for wanting concrete homes on the Brac, rather than metal homes, he ensured, Madam Speaker that the \$800,000 was given to the Brac by taking it from his own Ministry, Madam Speaker. Perhaps that is an example of embracement that I would hope to find in the New Webster Explorer Dictionary.

Madam Speaker, I advocated then and I advocate today that sports will continue to play a pivotal role in the social development, the physical development of our young people. We heard, just recently, Madam Speaker, that this country, our country, is spending over \$53,000 per inmate at Northward Prison. I am sure being under the leadership it now has, for every cent he has a careful eye on how it is expended, but prevention has to always be better than cure. If we had to multiply that by 3, to \$159,000, it would not be too much as the Member from George Town said, and I am sure you would concur, Madam Speaker, knowing your background with these particular issues – no child should be left behind. That is not just education as the Honourable Minister is ensuring with the reform, although I must add in that regard there had to be something there in order to reform it and it was not all bad, Madam Speaker. We need to put emphasis on it. I sat as a Cabinet Minister, I am sure you have, Madam Speaker, other Ministers here, and one of the first areas to be cut is sports. Our children, our women; is it because their voice is less audible, Madam Speaker? I hope not, because they are a dynamic, living body that one day will turn 18; that one day will hold a pencil in their hand; that one day will learn how to put that X down; that one day will sit in this Chamber. Or, Madam Speaker, that one day we will have to incarcerate.

The choice is ours. Every one of us, whether we are PPM, whether we are from this side of the House or whether we are independent or UDP. Madam Speaker, when it comes to these national issues I do not joke around because it could be my child, it could be your child, it could be the children of my colleagues on the other side, the children of my colleagues on this side. We must stop giving lip service to sports and I have confidence based on what I have seen in the Budget that there is some hope in this regard, and I thank the Honourable Minister for his determination to put it in. Madam Speaker, of course I could be political – I could get up here today and say “we want more.” I understand that there are other priorities and I am happy to see that at least we will take the complex to a stage where the artificial turf will be put there; the same artificial turf that the soothsayers went to say that I was bringing false grass to feed the cows – the same artificial turf, Madam Speaker, will finally be put there, perhaps by a man, perhaps by someone more affluent. What is the end result, Madam Speaker? Our children, our young people will be able to utilise it. That is good enough satisfaction for me, Madam Speaker.

I also felt that sports would have another important aspect, Madam Speaker. It would help us to diversify our tourism product. That has been in all of my manifestos; I campaigned on it and I stand here today to say the same thing. I envisioned professional teams from Canada and the United States looking for a safe environment, warm climate, friendly people, good food, reliable air service, to come to a first class sports centre during the cold winter months, which will not only benefit our tourism product, it would help the bottom line of Cayman Airways with the increased demand on traffic capacity on our airlines, be it CAL or CAL Express. It would also expose our children, our young people, our young athletes, with a hope, a dream of becoming like the sports role model that they would see perform at the centre. That is why, Madam Speaker, about the 18 acre property, which was purchased under my tenure, other things were said, and I will not get into that today because the Land Register will prove them to be untrue.

Madam Speaker, I also proposed on that site that we would put a hurricane shelter for a number of reasons. With the road plan that I had in place, we had a network where we would come off at the Charlotte Road at the Ann Tatum Road. Of course, we had to do it over time and because the big picture was either not conceptualised by my constituents or that red herrings came in to blur the vision that they should have of the project they said again that we were ‘*wasting money putting roads on the Bluff*,’ and ‘*what were we going to do with a sports centre in the wilderness?*’ Madam Speaker, thank God we had a vision to do it then because what it would cost today to purchase that property, to put in the infrastructure that has been laid there to a stage where there are bleachers that can sit over 400 persons sitting there for the past 6

years not being filled. It pained my heart, Madam Speaker, as I would walk across the street, sometimes with my children, either just walking or on our bicycles, and see the cows grazing on the grass that was there when we had children falling down on the hard turf at the high school, not being able to see because of the bad lighting – again, not done, for reasons that cannot stand under a flashlight.

Madam Speaker, I look forward today to the day when I see the first car, even if it means from my hammock, because of age, drive down that sports centre, and I can listen to the cheers of the young athletes performing on that centre, and I can say as a song of old, “it was worth it all.” That again, will be where I will get my satisfaction.

We also know that sports assists in promoting a healthy nation. We are a small island, diseases go about quite quickly as we have seen in the past week with the appearance once again with chicken pox – every household has one or more persons with it on the Brac. Sports will help people become more aware of the importance of living healthy lives. It puts that competitive nature into those who are not fortunate enough to be born with an innate nature. It helps to keep them out of the bars, Madam Speaker; from doing the drugs, and into the illicit lifestyle that unfortunately one too many of the constituents have become involved in. We also know that it aids with depression, and just recently, unfortunately, once again we were reminded of what a deceptive element depression can be, often gone unforeseen, but very evident, Madam Speaker, within our people. Just look into their eyes – the window to their hearts – and you will see the hope and the optimism that we as Parliamentarians would like to see in our people is not in many of the eyes of the young people. Is it the fault of any particular Government? No, there are many contributors: there are parents, grandparents, school, a lot of influences; sometimes the individual themselves. If we go about to dissect and bisect who is at fault, Madam Speaker, it will be yet another life that has been lost.

Madam Speaker, I would hope, I would pray, that we wake up as Parliamentarians including myself and smell the roses because our Caymanian people not only are being adversely affected from a number of perspectives, from immigration and other outside influences, but our people have had to cut down the number of Caymanians that are being produced to make the cheque stretch, Madam Speaker, and that is not an over-amplification or simplicity of the situation.

When a man and a woman were able to go out before and have a decent living based on their salary, we are finding that that salary no longer can make it, especially since Ivan, especially since the insurance companies, Madam Speaker, did not come and bat a home run as it were. Especially, for the single women, and some men who are not in a position to get helpers anymore. Children are being left home, Madam Speaker, in my own constituency under the age of 5. Many weekends you will find in my house

sometimes more than 12 children from different parents. Is it because I like children so much to babysit? Yes, I love children, Madam Speaker, but also because when I go up and down to visit and knock on the door, and a little child comes and answers, I know the temptations, the dangers that those children can go into.

Madam Speaker, these are social issues that we do not like to hear about because some, it may awaken their consciousness; for some, it may sound bad in the foreign press; for some, they may know that they could have done better. That matters not, Madam Speaker. What matters are these children and if it is happening in Cayman Brac, it is happening here as well, I am sure. These children are left day and night to raise themselves and we do not have fast foods like Grand Cayman. Therefore these children go and fry eggs, Madam Speaker, I see them. These are accidents waiting to happen and if there is ever a time that we need to put money into our social programs, whether it is to enhance the parenting skills or make it available for someone who has been out of a job to get some "income under the stars" programme, or what have you, we need to do it.

Madam Speaker, I hope that when we get to Finance Committee, my friend the Honourable Minister responsible for Social Services is not here and, in truth and fact, I have not had an opportunity to speak to him since I have come back down this week about some of the issues there. I have had other opportunities to speak about other social issues like the consumption of alcohol – how the age is decreasing. We see younger and younger children on my Island, Madam Speaker, consuming it, and becoming intoxicated.

Madam Speaker, I teach a youth group on Wednesday night, and sometimes on Friday night at our church – both churches combined, some coming in from other churches, and it was mind-boggling when we had a life skills practical discussion and I had 8 and 9 year old children, Madam Speaker, telling me that they are buying Cool Whip, snapping off the top and sniffing it because it is such a good rush. We need to take time to see what is happening in these districts. That particular person is not from Watering Place, he is from one of the higher echelons on Cayman Brac. We know that drugs have no respect for families or affluence, or social standing and that is why we must become our brother's keeper, Madam Speaker.

I was amazed to see how they have become innovative with the advent of cell phones to the extent where I lost my cell phone at the airport on Cayman Brac. I could not find it, Madam Speaker, for almost a week. People were calling and I was unable to respond. Finally, by divine intervention or otherwise, I saw the cell phone that I knew was mine because my son had put a particular screensaver on it; I rang the cell phone, the person answered the cell phone not knowing that I was watching. I went over to the person

and asked for the cell phone. The face had changed, because they took my chip out of my phone and put into a collection, a collection of cell phones that they had been getting from the same Cayman Brac airport from passengers who they either dropped out on the conveyor belt or in the vicinity of the airport.

I called up the parent of the young person and the parent knew, Madam Speaker that it was going on! She said she had to make contact with her children; she had a number of children and a job at one of our tourism/hospitality places, one of the two hotels, making \$2.75 an hour, Madam Speaker. Now we can look at that and say, "well, that child should not do it," and I agree, we could say that the parent should not agree and I agree, Madam Speaker, but is there a bigger problem looming such as the Lady Member from George Town said? Is it time that we looked at the earning capacity of our people, especially the minority? That is a question for any government, this Government, or future governments to look at and address quickly. Again, another reason I am awaiting with baited breath, is the outcome of the poverty study. I believe it is going to be quite revealing, and perhaps it is going to become the priority now that we have adequately funded education and the Minister is moving ahead in that regard.

Madam Speaker, I also wish before leaving the area of sports to congratulate the under-16 football team which has been doing a splendid job, it is heartwarming to see not only that they have the support of their assistants: Mr. Mitchum, Mr. Lawrence, and Ms. Ventitia, but indeed their parents, their guardians, and the whole community have come and rallied around them. I see that my friend from Bodden Town is not here to today but I am sure he was rejoicing that his prediction came to reality when Cayman Brac met Bodden Town, if my sources are correct. However, I wish to say that it is not the first time that we have had this success because around the same time that we were trying to get the same sports field our Senior League also won the division championship when we had put in place the football coach there. So, we see that when we have hope and they have encouragement, they can perform, and now is the perfect time to make the sure we do not make the mistake we made back in 2000; that we go ahead with this facility, with the swimming facility, and the other facilities that the Minister is able to get funding and get put into place with his colleagues, because, Madam Speaker, I believe that history when it is all written down will see that it was investment worthwhile, its time and its allocation.

I wish also to move on now to another issue and that is to do with roads, Madam Speaker, which is always a very hot issue when it comes to Cayman Brac and Little Cayman. Madam Speaker, for several years we were able to get the allocation up with much fight and wrangle - to between \$500,000 to \$600,000 and much was accomplished. I do not have to go through the merits and demerits of why it is necessary

to have good road infrastructure on the Brac and Little Cayman because many of the persons here today have been here for some time and they are aware of the arguments that I have put forward over the years.

When I questioned last year about the direction that the Honourable Leader of Government Business was wishing to take with the roads, seeing that roads on the Brac and Little Cayman and correctly so, does not fall under the NRA but it falls under the ambit of the Ministry responsible for District Administration, I sought to ascertain when we could expect to see the continuation of the Charlotte Road in the creek, which merely would consist of the completion of the ramp because I had already completed the on-top Bluff road as well as the coastal connecting road for Charlotte. I must say, Madam Speaker, that I was very pleased to hear— I am sorry, Madam Speaker, let me correct myself. I asked about the Ann Tatum and I was pleased to hear the Honourable Leader say that they were moving forward with the Charlotte Road and he did not commit to say that he would not do the Ann Tatum. I believe that it was also the intention to continue the Ann Tatum. Madam Speaker, for whatever reason, funds were not used to do either of the two roads thus far, and perhaps I am speaking too early and perhaps the Leader intends to complete it before 30th June, and I apologise if I anticipated the road work, but from what I have been told by constituents is that they were told the \$300,000, some of which would have been used, not all for the Charlotte Bluff road, has been reallocated to the daycare centre on top of the Bluff.

Madam Speaker, let me say here and now so that there will be no need for the propaganda machine to go back, even before I get back to the Brac, and say that I was not supporting it. Let me just give a brief history of the daycare facility. Just a few weeks before the expiration of my ministerial term, the good gentleman who is the Deputy District Commissioner, on one of my official visits to the Brac briefed me with an idea, a vision that he had for putting in place a new daycare facility preferably up on the Crown property next to the Aston Ruddy Centre. At that time there was some disagreement about the placement of dogs, that is, the drug dogs, being in a small edifice next to the current daycare centre which had caused another petition to come forward. When I looked at the preliminary draft, I was quite pleased with the initiative that the Office of the Deputy District Commissioner had taken, and I instructed him and the staff of the Ministry to go ahead, get the cost and prepare the final plans. Obviously, there was an election, and my friend the Honourable Leader of the Opposition came on and I am glad that that project was a project that saw an element of longevity and it has been funded.

What I do not understand, Madam Speaker, that if in fact there was a need for an allocation, and of course the Honourable Leader would be able to say so if he deemed it necessary, but why would it be such a significant amount? I cannot for the life of me

understand why it was underestimated unless there was some other overriding factor and I wait to hear that. I would also wish, perhaps, to have, Madam Speaker, certainly myself and the constituency informed as to the reasons why the project has now been in a standstill, whether it is just a matter of funding or is there any other more immediate concerns, because it is a very necessary infrastructure. It is very convenient now, Madam Speaker; where the current daycare facility is because it is close to a library and other essential services, but I believe once again also after Ivan, we saw the need to move forward with mid to long term planning and get as many of our Government facilities elevated up on the Bluff and I fully concur with that policy and I give that my full support.

I look forward to seeing that project also open because the facility is extremely cramped especially during the summer months when they see an additional influx of students come in on hand. I would also wish to go on record, Madam Speaker, to thank all of the staff, but in particular, one of the ladies who perhaps if I could gently make the comment without upsetting the Lady friend from George Town. This lady is slightly over the age of 45, in fact she is about 65, but she has performed quite well and I compliment the Government for not making her an exception of departure at age 60 which I can tell you, Madam Speaker, is her daily worry. As recent as this weekend she said, *"Miss Julie, are you sure they are not going to let me off because I have turned 60?"* Thank God for the Labour Law that says age is no discrimination, Madam Speaker.

I look forward also for the addition of the medical centre/clinic type facility. Again we saw the urgent need for that during Ivan when we were all congregated with much in trepidation as I listened to my National Hurricane radio during Hurricane Ivan last year to hear of the dilemma that our brothers and sisters were facing on Grand Cayman and seeing the increasing number of senior citizens being housed on the platform of the Aston Ruddy Centre, and even down in the immediate vicinity of the platform in the front of the building. It became almost a situation where tears came up in my eyes, Madam Speaker, when we found out that although much money had been spent on the renovation— over a million dollars, of the building, but in local policy, and I will be generous and leave it at that! Decision was made in the constituency that they would not put the air conditioning of the general hall on the standby generator.

So, what we had then, Madam Speaker, was a number of elderly, handicapped, including my recently departed nephew, who had to be on life support, with no air conditioning, and in the midst of Ivan, Madam Speaker, I not only took every fan that I could find in my house, but from the same little village of Watering Place— and one must go back with me; this is in the height of the storm, Madam Speaker, in order to keep him and one other elderly patient alive, whose name I will not call for privacy reasons. One of the first

things I said at the meeting that I called with the entire Assembly, and that was not easy because we had some people who refused to go on the Bluff; some we had housed at the West End facility, and we had to be innovative, Madam Speaker. You have probably heard me say before where I went back to my sports knowledge and got out the bullhorns and got my same Sunday school children and sports persons that I knew to go from house to house, district to district, in less than half an hour, Madam Speaker, to let those persons know that we had an emergency national meeting at the Centre to coordinate our efforts to see how we could best help Grand Cayman – to put together a list of clients or international persons that we knew to try to seek help for Grand Cayman.

Madam Speaker, the reason why I have just taken some time to go down that angle is to show you how willing the people of the Brac and Little Cayman are if they are given a chance. We discovered that there was a satellite phone at Cable and Wireless, and I have already expressed my gratitude to them. The local and current manager allowed me to use that cell phone to call a U.S. gentleman who was the first airplane, Madam Speaker, to land on Cayman Brac. Using a cell phone because we had lost contact with Mr. Richard Smith to bring him in to the airport and I thank the Second Elected Member who worked with me there in his office as well as the Aston Rutty Centre because at that time we were both Cayman Airways Directors, to give the mandate as it were to operate as a two-unit Cabinet because we had lost contact with Grand Cayman. Madam Speaker, it is not to come now and expect some gratitude but it is merely to show by way of example that we are three Islands but we are one. We do not know when we have to call on help on the other, and therefore we must be careful as we nation-build, how we treat the pieces of the bridge, Madam Speaker, whether it is individual districts or my two isolated Islands separated by some 90 miles of Caribbean water.

Madam Speaker, that American gentleman, said that if we would undertake the cost of the fuel for the aircraft, he would fill the aircraft with a list, and we made a list quickly, and as the list was made I would rattle it off to him. He kept to his word and I kept to mine, although there was some hassle with the Committee as to who was to pay: my Ministry or the National Hurricane Committee. Now, Madam Speaker, that same gentleman, when he came down and saw— he was the first one to land in George Town as well, with food and cots and all sorts of things. Madam Speaker he is a resident of Little Cayman, for many years and he and his father, have applied to become a citizen of this country on a permanent basis. He was told that they could not do it at Immigration and that he should go to Cabinet because they still have a reserve power. If there are special reasons, I urge the Government to look at this reason because we are almost in hurricane season again; we do not know whether we will have one that is completely safe, and

this, Madam Speaker, is not evidence; it is not right; it is not the right message to send across to our friends in the foreign arena. When that gentleman came with his Lear jet and his staff, he was en route from Houston to Stewart, Florida. He diverted the aircraft to come here to our assistance; although he does not live on Grand Cayman, he has a Caymanian heart, Madam Speaker.

We were first to fly over and we all cried, Madam Speaker when we got into East End and came down and saw what had happened to our Island because we consider this our Island as well. Madam Speaker, that gentleman unloaded— well, let me rephrase that: the things were taken from him under the Emergency Powers, Madam Speaker, and today, I am still waiting to find out where the 300 prepared meals went to. I know because I was told by a Member of the Committee, therefore I can say that they did not go to the persons at the shelters. I can say that, Madam Speaker, coming from a legal background because I know what I am saying. That gentleman left immediately to go and get his 737 out of Stewart and to come back in filled again, Madam Speaker, and this is the message that we have given this gentleman. Am I saying that everyone who come arms bearing should automatically get? No, Madam Speaker, but they should be given an opportunity and not turned back on a status quo basis. So, can you imagine how I felt when the gentleman called me up and said: *“this is what I was told by a clerk at the Immigration Department.”* I certainly was lost for words, Madam Speaker, and I am glad to see that there is reform in the Throne Speech, for immigration, because this is one area that perhaps should fall under the special needs category. Madam Speaker, I see you are anticipating the luncheon break – if I am correct, I will be happy to sit down.

[Laughter]

The Speaker: Not only that, Honourable Member, I just want to let you know that you have 27 minutes remaining and I am certain you have many other topics that you'd like to touch on. Proceedings will be suspended until 2.15.

Proceedings suspended until 12.58 pm

Proceedings resumed at 2.19 pm

The Speaker: Please be seated. I apologise for the absence of the gown of the Speaker but when we are trying to get through with the business of the country these things happen.

First Elected Member for Cayman Brac and Little Cayman continuing her debate.

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

Just before we took the luncheon break, I had commenced my remarks as they related to roads and Cayman Brac and Little Cayman, and with your kind permission, I would like to return to that for completion sake for just a few moments. As far as it relates to the roads in Cayman Brac and Little Cayman, I noted with interest that in the 2005-2006 Budget there was a decrease in the allocation of almost \$300,000 in the first year, being from May last year to this year, but I can say that I am perhaps elated— would be the best choice of words— to see that it has returned to norm with an allocation of some \$600,000 in the road works for Cayman Brac and Little Cayman. I would trust that when the Honourable Leader sits down with the persons that he chooses to decide where the roads are going, that there would be some space for the First Elected Member for Cayman Brac to have some say in that.

Madam Speaker, I say that mainly for the purpose that there are a number of roads that the Member may or may not be aware of in that there has been a legitimate expectation by the constituency of Cayman Brac and Little Cayman that these roads would be done. For example, the Member obviously would have known about the Charlotte ramp and the Ann Tatum because questions have been put to the Honourable Member. However, there is also a plan for the Captain Mabry Kirkconnell Drive— I believe that is the correct name for it— the continuation of the Songbird road, and out of abundance of caution I should say that that road was named by the last administration so that there would be no innuendos in that regard. There was a plan, Madam Speaker, for that road to be continued down to the Ann Marie drive next to the Scotts Quarries and the West End so that we would finally have a medium road running through the main Bluff road for connectivity to the persons in the lower lying area of Cayman Brac, as well as a proposed ramp just to the West of the existing garbage disposal area— the dump. I see that work has been progressing in my constituency on what is known as the Southwest road, the continuation which was part of the plan and I would only say that I hope as a result, these other roads would not be on the backburner for too long.

The expectation was that the Captain Mabry Drive would be continued as a matter of priority seeing that there was just a short distance for connectivity from the pullout drive into the Scotts sub-division, which would also connect into the affordable homes. Why we saw that as a vital connection was also because the West End Primary School, as the Honourable Leader would rightly know, is the only other hurricane shelter that we have and we thought that it would be necessary to connect it so that during the hurricane season in a storm one would not have to come off of the Bluff but could stay on the higher elevation to go between the two centres, as is necessary, even though when storms are going on, for medical reasons and other reasons we have to go between

the two centres. Therefore because of the elevation in the rock area we find that there is a lot of flooding although money has been expended to put in drainage, the water table is quite high and it would be a much better situation to go the short distance to connect those two roads. So, I would ask the Honourable Leader if he would be so kind as to take that suggestion into consideration as soon as possible, Madam Speaker.

Madam Speaker, I also ask the Honourable Leader of Government Business if he would continue to strive to ensure that a significant amount is budgeted for roads in Cayman Brac, and Little Cayman and to not let the arguments of small number of population in any way form or shape deter him. Although we were able, under my administration, to ensure that wages became a part of the recurrent expenditure rather than becoming totally dependent on the capital outlay so that the men at Public Works no longer have to worry about being laid off every turn and change or every whim and fancy of individual or Government, but they can now rest assured in the fact that their wages, their remuneration is entrenched into the budgets recurrent expenditure, and therefore we can see our projects coming to a quicker conclusion because the entire amount for the capital vote goes on the particular project.

Madam Speaker, I would also ask the Honourable Leader to continue in the fight that I certainly had to struggle with for the time that I was there in trying to get the Spot Bay road in Little Cayman realigned. I would suspect that he has probably hit the same hurdles that I have in getting it realigned with the one or two land owners who were quite adamant in not wanting their property to be part and parcel of the realignment of the road. I believe it is a very essential road; it is close to our school and essential services that have been moving in an incremental basis into the Crown property by the little school and the Public Works Services, and the Police Station in Little Cayman. It is very dangerous, the Member knows, he has been there a number of times, and I would ask that all efforts be continued to ensure that the Spot Bay road in Little Cayman be realigned as a matter of urgency.

Madam Speaker, I would also say that I am grateful to see that the government dock in Little Cayman has finally been completed and in fairness, Madam Speaker, I can say that as far as my information goes, that certainly is not the fault of the Honourable Leader of Government Business but it was more of a local scenario where there was a holdup of equipment coinciding with the presence of the contractor who was to do the work there. I had an opportunity when I was last in Little Cayman to run into the contractor who had concluded the government dock which is very, very essential to Little Cayman and the Blossom Village area. Having looked at it, one would have said on the surface that there would be no ne-

cessity for another dock but far be from it, Madam Speaker.

The eastern end of Little Cayman is the closest point to Cayman Brac and obviously it is much easier and more convenient for the tourists, whether it is the domestic or international tourists, to go across the boat on our beautiful Point of Sand. There was a dock that has been destroyed by nature and money, as far as I can recall, was allocated for it, and I see the Member nodding his head and I am grateful that that is going to be continued. I am not sure whether this Government have chosen Snipe Point venue or whether it is the Point of Sand, but whichever one, once it is in that vicinity I will be quite content and so will the people of Little Cayman.

I would ask the Honourable Minister, Madam Speaker, that as he go about (once the Budget is passed) to prioritise the projects that it would be given some priority seeing that we are just about ready to embark on the hurricane season, rather than do what has been done in several other governments: wait until we hit October and November and then we have difficulties getting marine projects completed.

Madam Speaker, I would also wish to say that there were plans to relocate the Post Office in Little Cayman to where the District Office is. Whether or not that particular location is used I would ask the Government to look at the Little Cayman airport, especially in view of the development of the new airport to ensure that the main, core government services are put together in an essential location, including the fire services whenever they are doing their holistic plan for Little Cayman.

I have some concern, Madam Speaker, about the huge parcel of Crown property which now houses the medical centre, Public Works facility and the school. I call it school although Education has chosen to call it services; I have not quite understood the distinction, Madam Speaker. This needs to be looked at finally from the approach where the total development is taken into consideration. When I was in Little Cayman the last time, I understood that perhaps there is another piece of infrastructure that is going in a not so desirous section of that property which would hinder, in my respectful view, future development of the school. Madam Speaker, let us make no mistake: Little Cayman is growing. We heard from the statistics that they receive more tourists than we, in fact, do, in Cayman Brac, and with the advent of the school, which I fought even my own administration at times to get, into Little Cayman, we have seen that once this has been established, although the numbers are under ten, families began to move into Little Cayman and bring some vitality and promise into the small community there rather than have the husband working and coming up once a week to a wife and without children. So, we can now see as far as the primary education is concerned, development in that area And I am extremely pleased.

Obviously, we do not have the post-primary education and I understand the other needs of education, and I believe the people of Little Cayman understand that. However, it should not mean, Madam Speaker, that we should approach education in Little Cayman with a closed mind, where we do not anticipate the day that we would have to go beyond primary education in Little Cayman, because even as I speak there is one family which was the main family, that is, the family of Mr. Melvin Reid who pushed extremely hard to see the establishment of the primary educational institution in Little Cayman. Now it has reached the stage where because of his children's education that they have no other choice but to go across and relocate, wife and all, Madam Speaker, to Cayman Brac in order to access the facility there.

Madam Speaker, I wish to quickly turn to the area dealing with communication insofar as it relates to air-link and communication. Those who know me quite well know that I have always been very strong, and I will continue to be advocate of Cayman Airways. I believe that when the late James Bodden had a vision for Cayman Airways that it was an excellent one, again, amidst much controversy. The airline has been used for a political football for many, many years and I am happy to see that in the past several years, including the last year that much of that political element has been removed.

I believe it was an excellent idea, Madam Speaker, for the support from the Cabinet in which I was a part of, for CAL Express during a time when it was a distinct possibility that the Sister Islands would not be properly serviced by daily air-link, and as I understand it, the present Government has even cemented that arrangement more with CAL Express. The only thing I would ask in that regard and from what I understand, perhaps it is already part of the policy formulation, is that they look at increasing the frequency of CAL Express, in particular, as it relates to Little Cayman, and perhaps, Madam Speaker, it may not necessarily mean additional flights, although that certainly would be good because it is most difficult for persons to get a seat on CAL Express and that is a good problem. Having been a Director for years that is a problem we wish we had with all five of our larger aircrafts. It will come, Madam Speaker, because the Honourable Minister has made some changes that I believe, in the long run, we can look at and say that it was necessary, not only with the administration but the general policy approach.

I believe I perhaps fly Cayman Airways as much or more than my colleague and other Members in the House, and I would also wish to go on record that I believe, as far as our pilots are concerned, that we still have the best pilots in the world, and trust me when you have to fly into Cayman Brac with the bird strikes that we have, and hear announcements that they see part of the engine on the ground, for pilots to come out of that safe, we have good pilots, Madam Speaker. I can see the teamwork that is emanating

from Cayman Airways. They believe in the company, and I would never, ever wish to see the day whether it is pressure from the U.K. or otherwise, that any move is made to close down Cayman Airways. Madam Speaker, if we did not know the value of Cayman Airways, we certainly learnt it during Ivan. Not only was it "insurance" to get our people out, but I think all of the deficits that perhaps were ran in previous years and probably will continue to run, made it a worthwhile exercise seeing that we are a service industry and not every company are fortunate as some that have corporate plans to Learjet their staff members out of the jurisdiction, Madam Speaker.

I quickly wish to speak on another area, and that is to say I am so grateful that at long last, the past few months my friend and colleague, the Honourable Minister for Health was able to finalise the whole process to enable the dialysis machine to be installed at our Faith Hospital. The past Minister, if I remember correctly, put in some \$93,000 for the administrative part of it so that we could have a local practice nurse, Miss Linda, a very capable nurse, who is administrating the unit and it has certainly made life so much better, in particular for Mr. Matthew Walton who has had go to up and down and suffer much financial and physical hardship. That too can be used as one part of the tool that we can use to diversify our tourism industry by launching into medical tourism. If you do not believe that, Madam Speaker, just take a short hop from Grand Cayman to the Brac on a Friday evening as my colleague and I do most weeks, and you can almost immediately feel the stress coming off of you when you get off without the traffic jams and whatnot that is there.

We now have a team of excellent doctors, and I am reminded that North Side, which I also hail from my grandfather in fact, Madam Speaker, and East End, Mr. Minister. I can see why the Honourable Minister of Tourism went to the "Go East" policy, and why the Lady Member from George Town has impressed that we need a miracle mile in George Town. Nonetheless, we are all one country. Madam Speaker, I believe the Brac is well poised for medical tourism. I know the Second Elected Member from Cayman Brac, in his private capacity with other corporate partners have worked strenuously to see the establishment of a medical school on Cayman Brac, and I commend him and the other partners for that. He certainly knows that he had my support with it and the support continues to be there in that regard. We have seen, Madam Speaker, how Grand Cayman's economy has benefited from the advent of St. Matthews Medical School. I believe that the Brac has even greater capacity because of the multi-faceted functions that it is envisioned for the uptown facility and I look forward for the benefits to trickle down into the community insofar as it has related from the presentation to the utility, and the variety of methodologies used for the generation and distribution of electricity in Cayman Brac and Little Cayman.

Madam Speaker, I would also ask the Government, in particular through the Honourable Minister of Health, if they would perhaps re-look at the issue of children and their reception of medical services at the hospital. I remember from the Select Committee at the time that there was concern, and rightly so, about persons who could afford it, abusing the system. However, I believe it is now, certainly in my constituency, working the other way, where some children who have dire needs to go to the hospital and, from what my information gives me, are not receiving the immediate attention because of not having their insurance or the free access. Madam Speaker, we need to just monitor it to ensure that we are not creating an atmosphere, an environment, where children become less healthy because of not being able to afford; that is all I am saying. I sincerely believe that the country on a whole cannot afford to have an unhealthy nation.

There are several projects that I did during my tenure with the help of Almighty God, but one, in particular, gives me much satisfaction to see that the Government is continuing with this project, and that is the marine facility at the West End Pier, and not unlike many of the other projects done by government, it came under much criticism and the propaganda machine was out again. However, especially in the past few weeks that I have had time to do a little shore fishing myself and some relaxation at the facility, it really was refreshing to see that not only is it serving as a marine facility and as a backup for civil aviation in the eventuality of an accident at the airport, or for the fire services launching, but what I had in mind was also for it to serve the purpose of enhancing our social fabric. It is quite good, Madam Speaker, both the Panama Canal in the Creek area and the West End Pier, to see young and middle-aged and old coming together and sharing maritime stories and passing adventures from generation to generation.

We had actually began to embark on a process of our culture and history and it gave me some concern, at the time when I was in the Ministry of Community Affairs some years back, that people were losing that common touch by staying home, watching television, becoming almost "couch potatoes," Madam Speaker. Now that has changed because I was able to do something with the help of my colleagues and Honourable Members of the House, where each district provides similar recreation facilities of a maritime nature. On your next visit, Madam Speaker, I would invite you to join us for a little fishing; I know the Honourable Leader of Government Business does not need an invitation because he is an avid fisherman, but I would invite you to come and see how this has become a reality of all generations coming together there for a number of different activities, whether it is as Easter, or just to chat and talk, what have you.

Madam Speaker, an item when it came to this Finance Committee that seemed to be such a trivial project, not only of its economical value but also because of what it was. I had embarked upon a program

where in each district we were placing clean, proper and appropriate bathroom facilities, and that became a political football in that *"I too was wasting money because of why was it needed"*. It is so good, Madam Speaker, to go especially to the West End area and see the little facility there, how it is used, and I am sure the gentleman will not mind me referring, I will not refer to his name but he makes it a daily routine to take his newspaper there; one of the businessmen, as well, Madam Speaker, because it is such a beautiful view looking over there at the facility, at Little Cayman with the dive boats and all the other activities that are coming in there.

So, I can say that is proof in the pudding with another project that was considered to be wasting money that the people can now enjoy. I would say to whoever is responsible in the Ministries now for the districts in Grand Cayman that a similar program needs to be commenced, especially in the tourist areas. I can recall quite vividly the one in South Sound and the one on the West Bay beach. As a Caymanian, I am totally embarrassed to go there with my children because of the condition that they are in, and it does not need to be, it is very inexpensive, it creates jobs for some persons. It is a decent occupation, it is honest, and it enhances the whole product and I am sure that the Government should not have much difficulty in acceding to that request.

I wish also to mention the Cayman Brac Fire Service, to commend them as I always do for their service, not only as firemen, but in particular, during the hurricane season, a season which we are about ready to embark upon; you can always rely on them to come out even when other services have been given the authority to act during the emergency time, they will still come out and assist in all areas that they can. I would urge the Government, the Official Member responsible for the Fire Services if perhaps he could take an opportunity, if he has not so yet had a chance to do, to look at a small additional allocation or realignment of funds in the Budget to ensure that the Cayman Brac Fire Station gets the same type of equipment that was ordered, I believe, it is some six or seven for Grand Cayman, and as I understand it, they are short of under \$200,000 with the existing allocation.

I see a positive indication of body language from my good friend the Honourable First Official Member so I would wish to quickly go on record to thank him for his sensitivity to the needs of the Brac, and for carrying out his usual characteristics of equality and parity together with the assistance of the Honourable Leader of Government Business who I see fingers pointing to. If, in fact, I am reading the body language correct, I wish to thank you, Sir, through you Madam Chair, for ensuring that the firemen on the Brac got it, and I would imagine that if I can go on the basis of my deductive reason, by extension, I should also thank the Second Elected Member for Cayman

Brac and Little Cayman, who would also have had participation in the decision.

This must be a good issue, Madam Speaker, because I am now getting a signal from the Minister for Communication that he too assisted, so may I thank the entire Government for insisting that Cayman Brac got equal equipment to Grand Cayman.

The Speaker: What happened to North Side?

[Inaudible interjection]

Ms. Juliana Y. O'Connor-Connolly: Madam Speaker, the Honourable Leader of Government Business knows that I have a few minutes and perhaps he wants to encourage me to be most positive, so he has given me an invitation to treat, and perhaps, when the embracement is translated to tangible consideration as to meeting some of the content of my debate, perhaps we shall talk. May it please you, Madam Speaker!

[Inaudible interjection]

The Speaker: Does any other Member wish to speak? The Honourable Minister responsible for Tourism.

Hon. Charles E. Clifford: Thank you, Madam Speaker. Madam Speaker, I rise to make my contribution to the Throne Speech, the Policy Statement, and the Budget Address, which was delivered on the 28th of April 2006 by His Excellency the Governor, the Honourable Leader of Government Business, and the Honourable Third Official Member, respectively.

Madam Speaker, this is really the first full Budget for the People's Progressive Movement administration. When we took office in May, on the 18th of May, 2005, we discovered that the previous administration, the United Democratic Party, had not done any work whatsoever on the Budget for the 2005-2006 fiscal year. Not even work on the recurrent expenditure, Madam Speaker, and perhaps the United Democratic Party had a premonition that they were going to lose the elections in May and perhaps they thought the work would be unnecessary. Madam Speaker, that was the position we found, and as a result, the public and the Members of the House will recall that we had to approve a resolution in this Honourable House to appropriate expenditure to allow the Government to continue to operate until, towards the end of 2005, when we brought the Budget to this Honourable House. Of course, Madam Speaker, we did not have a full year then to deal with and so hence the reason why I say the full Budget for the People's Progressive Movement, the first full Budget for this Government.

Madam Speaker, the Throne Speech and the Policy Statement delivered by the Governor and the

Honourable Leader of Government Business sets the tone and the foundation for the future of the Cayman Islands.

Madam Speaker, as the Honourable Third Official Member so eloquently demonstrated, this is a fiscally responsible Budget. It is a budget, Madam Speaker that complies with the Principles of Responsible Financial Management, as required by the Public Management and Finance Law. Madam Speaker, this Budget deals with the key infrastructural issues and programmes that have been neglected by successive administrations over the years, and this Government has boldly and courageously addressed those issues. The revenue measures contained in the Budget are reasonable and many of them were recommended by the various associations and individuals with whom we consulted, and I certainly wish to thank the Cayman Islands Law Society; the Cayman Bar Association; the Society of Trust and Estate Practitioners; the Cayman Islands Society of Professional Accountants; the Cayman Islands Real Estate Brokers Association; the Chamber of Commerce; the Cayman Islands Tourism Association and the many others who gave input.

Notwithstanding that, Madam Speaker, we have seen recent reports in one publication, which I think is the Cayman Observer, where certain representatives from those associations that we consulted are now being somewhat critical on the revenue measures which have been presented by this Government, in this Budget. The reason for the criticism, Madam Speaker, is that they have said that the Government has gone beyond what they had recommended. Madam Speaker; that is true in some instances, but what is also true is that the majority of the significant revenue measures, the ones that are going to yield the most, were recommended by the associations that I mentioned earlier. Certainly, Madam Speaker, they must recognise that it is the Government's prerogative to consider additional revenue measures and hence the reason why there are in fact some items in there that were not recommended by some of those associations.

As I said, Madam Speaker, that is the Government's prerogative and the people have elected us to represent them in this Honourable House and so here we are with the Budget today. Madam Speaker, the Government certainly understands that no one, no Government before, has ever brought a budget before to this House that has had unanimous support from the entire country. This Government certainly did not expect that. We understand that there are going to be those who will disagree with some of the provisions, but, Madam Speaker, we must agree to disagree and we must also agree to continue to be good partners and move forward in the interest of our beloved Cayman Islands.

Madam Speaker, there are also some important concessions in the Budget such as the reduction on stamp duty for Caymanians and the additional

concessions for Caymanians who are purchasing real property for the first time. What I can also say is that shortly after coming into office, this Government requested that the Financial Secretary's Office prepare a revenue register because the Government did not have one document or one area in which they could look and see all of the existing revenue measures, and therefore, when a Government was looking to raise revenue to fund key infrastructural projects, they were at a disadvantage. I want to personally thank the Honourable Third Official Member and his staff for the preparation of the revenue register. Madam Speaker, it proved invaluable in our decisions to review and to implement new revenue measures. Madam Speaker, one of the things that come out of the exercise is that when we looked at the revenue register, there were some areas of revenue that had not been increased since 1972. Madam Speaker, some of these areas were not that significant but when you look at them collectively with everything else they all add up, and so I wanted to mention that because I do not think we should underestimate the value that that revenue register brought to the table when we were preparing the Budget that we are now debating. I will repeat again, Madam Speaker, this was the first time that this particular approach had been taken with the preparation of the Budget using a revenue register.

Madam Speaker, because we know, and as the Opposition has also acknowledged, we need the key infrastructural projects that are funded in this Budget. We saw, Madam Speaker, and all of the Members from the other side of the House have now spoken, and we saw them struggle to criticise the 2006/2007 Budget. Madam Speaker, the last Member from the opposite side has just taken her seat, and I have yet to hear anything of substance coming from that side of the house, in terms of any criticism that they may have about this Budget, and certainly, Madam Speaker, I heard absolutely nothing of any alternative that they would present to us in relation to what we are debating today. So, Madam Speaker, they have criticised the revenue measures while at the same time acknowledging the urgent need for the key infrastructural projects such as schools and roads. They know, Madam Speaker, that because these projects are urgent, because they have been neglected by successive administrations, that they cannot be carried out, they cannot be established without the necessary supporting revenue. It is not just about establishing the fixed assets, Madam Speaker, but these assets are going to require operational expenditure in order to support them going forward, hence the reason, another reason, for the increase in revenue.

Madam Speaker, it is a well-established convention that when the Government presents its budget, the Leader of the Opposition should really be the first to speak from the Opposition side of the House, to let the country and the people know what the Opposition's position is on the Budget. The first Member to speak from the opposite side of the House

was the Second Elected Member from West Bay, and he acknowledged that the economy at this time is very strong and robust, and in very general terms, he really had no complaints about the economy performance of the country at this time. The only criticism he had, really, Madam Speaker, was in relation to the revenue measures, in that he did not think they were necessary but he did appreciate the need, as I said earlier, for the infrastructural projects. Madam Speaker, he concluded his remarks by saying that he was very sad to inform the Government that the Opposition would not be in a position to support the Budget; quite a paradox, Madam Speaker, in my respectful view.

Madam Speaker, what made the situation even more interesting was the the Leader of the Opposition came behind the Second Elected Member from West Bay, to say that the economy was heading downhill, that people were leaving the country in large numbers, and that the PPM's immigration policy was failing the economy. Now, Madam Speaker, I want to say to the Leader of the Opposition and all of the Members on the Opposition side of the House that they ought to recognise when they make such comments that the thousands of people who sit in traffic trying to get to work on time, who stand in lines at the supermarkets trying to check out, who stand in lines at the hospitals and at the clinics trying to get service, because of the neglect of previous administrations which includes the UDP, that those people are listening, and they, I am sure, do not see the large numbers of people that the Leader of the Opposition claims are leaving the country.

Madam Speaker, the Opposition has also indicated that the immigration issues which the country is now facing is a direct result of the People's Progressive Movement administration policies. Madam Speaker, I know that it has been said by some Members from my side of the House who spoke before me, that the immigration policies we now have to administer are contained in a law which was passed when the United Democratic Party was in power. It bears repeating, Madam Speaker, the immigration law that is currently in effect came into effect on 1 January, 2004, and so when the Leader of the Opposition and his colleagues on that side of the House, decides to criticise the Government for the immigration policies of the day, they need to understand that they are criticising their own policies. It was their law, Madam Speaker. Unfortunately, this administration now has the burden of trying to correct the mistakes of the past, which resulted from the legislation being rushed through Parliament in 2003. So, Madam Speaker, we have two completely opposite positions coming from proclaimed Leader of the Opposition, the Leader of the Opposition, and the Second Elected Member for West Bay. So, Madam Speaker, I certainly would like the Leader of the Opposition, the real Leader of the Opposition, and neither of the two are present unfortunately, but perhaps another Member of the Opposition could step forward and let us know what the cor-

rect position of the Opposition is as it relates to the Budget that we are now debating.

Madam Speaker, I listened very carefully to the first part of the presentation by the Lady Member from Cayman Brac, my good friend the First Elected Member from Cayman Brac and Little Cayman. Madam Speaker, I was most disappointed with the first part of the debate from the Lady Member because the analysis which I heard the Lady Member table in relation to the economic situation in Cayman Brac, and the outlook for the future, was certainly a very pessimistic and bleak picture. Madam Speaker, I know that that is not what the people of Cayman Brac and Little Cayman would like to hear. It certainly does little to motivate them, and I was somewhat taken back by the Lady Member's initial approach to the situation and her failure to acknowledge and appreciate the strategic direction that the Honourable Leader of Government Business, who now has responsibility for district administration, and that the Second Elected Member for Cayman Brac and Little Cayman are promoting.

Madam Speaker, there is no wonder that the economic situation in Cayman Brac is what it is at this point in time, and I know that the Lady Member from Cayman Brac and Little Cayman should not, at this point in time, be trying to take herself out of the responsibility for what currently obtains in the Sister Islands. She has had over two terms in Government now, Madam Speaker, and I want to encourage her because she is my friend, to embrace the changes which this Government is attempting to make in Cayman Brac for the betterment of the people of those Islands. Political differences aside, Madam Speaker, the objective here must be to further the interests of the residents of the Sister Islands and I invite the Lady Member to join us in that mission.

Madam Speaker, from this point on in my presentation I want to outline how I will approach the rest of the presentation. I want to deal primarily now with the subjects that I hold constitutional responsibility for, and it will take some time to do this. That will be followed by a number of other subjects of national interest which will be followed by projects that relate to my constituency of Bodden Town; projects I might add which will make a real difference in the lives of my constituents. Before going to that, Madam Speaker, I just want to say quickly that I know that many things have been said about me and about the approach that I have taken to the subjects that I have responsibility for. Particularly, accusations have been made by the Leader of the Opposition, and while, Madam Speaker, I will not focus on them because, quite frankly, I have more important things to talk about. I can assure you and the listening public that before I conclude my contribution on the Budget debate I will deal with those issues that I think warrant a response.

Turning now to the subjects under the Ministry of Tourism, Environment, Investment and Commerce— Madam Speaker, in 2006-2007, the Ministry

of Tourism, Environment, Investment and Commerce, and all of its member agencies, will continue to leverage their joint resources in the pursuit of sustainable development which balances economic, social, and environmental considerations for the continued benefit of the Cayman Islands. To this end, the Ministry will pursue the enactment of legislation governing environmental conservation, tourism management, music and dancing, and public transportation, in order to bolster and modernise existing policy framework. In terms of agency management, work will continue on transitioning the Department of Tourism into a statutory authority to be launched on the 1st of July, 2007. Madam Speaker, efforts to re-engineer the public transport sector will also continue, including the establishment of a dedicated public transport unit to oversee and implement the reform. Following the completion of the Cayman Airways audit, which is expected in late June 2006, the Ministry will continue to work closely with the Board of Directors and Management of the airline to ensure that the lessons of the audit are duly heeded and implemented in a timely and efficient manner.

The Department of Tourism, Madam Speaker, under my leadership, will continue to deliver and improve on existing services and programmes. It will continue to increase the support and funding to underpin Cayman Airways, its marketing, promotions, and customer service efforts. The Department will continue to pursue new opportunities and outputs to support the Government's stated socio-economic outcomes. Specifically, Madam Speaker, the Department of Tourism is charged with short and medium-term responsibility for strategic planning and general destination management for the Cayman Islands Tourism Industry. The nature of the activities executed by the Department range from research and policy advice to international marketing and sales, from industry training programmes to the development of environmentally responsible management of the tourism industry.

At all times, Madam Speaker, the Department has been instructed to seek to advance the heritage, culture and values of the Cayman Islands, and promote the advancement of sustainable tourism policies for the benefit of future generations. Under this Government's direction and in keeping with my stated strategic objectives, the Department will maintain its existing scope and focus on the following new strategic initiatives in the upcoming fiscal year. First, the development of human capital for the Cayman Islands tourism industry by expanding the work plan to reflect a comprehensive programme to achieve measurable success through:

- a) tourism education and scholarships;
- b) tourism apprenticeship training and career internships;
- c) tourism customer service training;
- d) tourism community awareness and;
- e) cruise tourism management.

Hosting the 2006 FCCA Conference will provide an increased number of Caymanian businesses with the opportunity to not only attend the show but also to showcase their products to the opinion leaders and decision makers of the Florida Caribbean Cruise Association. When cruise executives make decisions about which tours they will sell, they can only recommend selling what they know, and having these executives here as our guests for a full week will allow us ample opportunity to be sure that they all know about the Cayman Islands. An additional bonus: hosting the FCCA 2006 Conference will not only provide opportunities for strengthening our cruise tourism product, but it will also provide our stay-over tourism product with a healthy injection of business with well over 1,000 delegates expected.

Madam Speaker, in the debate on the Budget, the Third Elected Member from the district of West Bay, asked about the Government's policy on tourism and particularly on cruise tourism, and whether we had embraced or departed from the Tourism Management Policy which the United Democratic Party had put in place. Madam Speaker, I know that during the campaign the Third Elected Member for West Bay and indeed, all of the other Members from the Opposition could not go on the political platform without the famous "red book," the People's Progressive Movement's Manifesto. Outlined very clearly on page 17 of that Manifesto is the People's Progressive Movement's position on tourism, and a very clear statement that the People's Progressive Movement endorsed the Tourism Management Policy. The Third Elected Member for West Bay is well aware that as Permanent Secretary of Tourism at the time, I was intimately involved in the development and adoption of the Tourism Management Policy, and so, Madam Speaker, while I do not propose to spend all of my time reading from our manifesto, I simply wanted to refer the Third Elected Member from West Bay to page 17 to 19 of the Manifesto which sets out very clearly our tourism policy.

Madam Speaker, in addition to providing better opportunities for local businesses to prepare themselves to take advantage of the 2006 FCCA Conference, other initiatives to improve the current capacity and better spread the volume of cruise tourism passengers are in progress. Such initiatives include the Development of the "Go East" Tourism Development Programme, and encouragement of small businesses in the eastern districts to expand the product offerings for tourism, including cruise tourism.

Madam Speaker, another objective is to increase the Cayman Islands tourism business from Europe. After conducting consumer research and completing a strategic audit of the market structure, opportunities, and challenges, I was pleased to approve a three-year Department of Tourism Strategic Marketing Plan to increase awareness levels of the Cayman Islands in the United Kingdom, and increase European visitor arrivals over the next three years.

Now, Madam Speaker, I recently held meetings in London with the Department of Tourism; with the public relations and advertising agencies in the United Kingdom, and with British Airways. The meetings were very successful, Madam Speaker, and I returned to Cayman and made a Press Statement at the Press Briefing shortly after my return. I outlined in great detail the nature of the meetings – what we had accomplished, the additional budgetary provisions that we intended to put behind these new initiatives. I spoke about the meetings with British Airways and how successful they were, and how we had underscored our commitment to them as our business partners, and almost as an aside, Madam Speaker, during the question-and-answer period at that Press Briefing, the question was asked about the British Airways direct flight. In my answer to that question I pointed out to the journalists present that while British Airways' direct flight was certainly important to us and we were certainly continuing to support it, I wanted them to appreciate that that was not the only way to get European visitors to the Cayman Islands, and I used as an example the current arrangement between Cayman Airways and Virgin Atlantic over the Miami gateway and the successes that we have had from that in the past and that we are currently having.

I also mentioned, Madam Speaker, the possibility of code share arrangements between Cayman Airways and other European airlines, such as Air France, Iberia, and Lufthansa, and the possibilities that existed over the Cuban gateway in using Cayman Airways to promote twin-island vacation packages. Madam Speaker, unfortunately, the only parts of that particular briefing that made it to a particular publication, the Cayman Net News, was the comments in answer to the question in relation to Cuba and that resulted in a headline in Cayman Net News which read "Cayman Partners with Cuba." Madam Speaker, I only mention and say that to say that it is most unfortunate when we invest the amount of time that we do every Friday with the journalists that we provide so much information, and in this particular case, the information was provided both verbally and in writing, and we end up with headlines such as this which do not capture the entire picture, and in many respects, creates somewhat of a distortion. I am not blaming the journalists who attend the weekly press briefings; I think they are all very professional journalists and good people, but I understand how the media works, Madam Speaker, and when they get back to their respective media houses, they have publishers and editors that they have to deal with, so the story goes from A to B to C, all the way down to the end of the alphabet.

Madam Speaker, that is the nature of the business we are in. We have a free press in this country and we certainly support a free press but we also expect that the press will be responsible and I will say a little more about that going forward, but I do believe that this Government is the most open and transpar-

ent Government that this country has ever had. It is the only Government to hold weekly Press Briefings with the media, and I believe that we have strong enough relationships with the media to make this work, and I think that the arrangement simply needs to be tweaked a bit, and we simply need to make sure through whatever means that when we put information out there it is accurately reported in the press because it cannot be in the public's interest for anything else to happen. If we are not able to achieve that, then perhaps we are going to have to look at another method to make sure that the information which we give out at our weekly Press Briefings arrives with the public in the form that we sent it out in, because, as I said, it cannot be in anyone's interest for it to arrive in any other form.

The Department of Tourism has been given a mandate to continue to partner with the private sector to achieve the goal of returning stay-over visitor arrivals to pre-Ivan levels. There has been significant progress already and the numbers are certainly improving but a strong and sustained second year is required to turn this goal into a reality. Madam Speaker, with hotel room inventory back online, the Department and the private sector are working hand-in-hand to ensure both that the Cayman Islands has attractive vacation specials in the marketplace and that they are advertised heavily using T.V., print and the Internet.

The Department of Tourism will, once again, enhance the Cayman Summer Splash promotion, by providing elements of the vacation experience at no charge. That is, the Cayman Islands Sea School for all children or airport transfers for cruise guests who convert to stay-over guests with the purchase of a Cayman Summer Splash Package.

The Travel Agent Fam Programme has been expanded, bringing more travel agents to the Islands and allowing them to learn about the increased cash incentives for booking the Cayman Islands. Madam Speaker, just this morning before coming to this Parliament, I addressed a rather large gathering of wholesalers, travel journalists, and travel agents, primarily from North America but some from Europe, at the Ritz-Carlton at the Cayman Islands Tourism Exchange. I was extremely pleased to see the very large turnout this year and we try— that is the private sector because it is a private sector initiative— try once a year to bring these journalists and travel agents to the Island so that they can update their records on the product and they can go back and talk from an informed position about the Cayman Islands product that they are selling on our behalf.

Madam Speaker, increased direct marketing campaigns to support airline, hotel, and wholesaler initiative and closer to home, the Department of Tourism continues to work closely with Cayman Airways by putting tactical offers in the marketplace and by supporting them with advertising and promotion.

Madam Speaker, the "Go East" project was successfully launched. The Ministry and Department of Tourism, along with other stakeholders will continue to spread tourism's economic benefits and will also provide education and training, and do much to encourage environmentally responsible practices. This project will encourage tourism development in the Bodden Town, East End, and North Side districts, and thereby improve the destinations carrying capacity for tourism, including cruise visitors. Madam Speaker, the impetus behind this project is significant and will see training provided to potential business owners, businesses opening in the eastern districts, and the unequivocal adoption of the philosophy of sustainable tourism development which embraces the triple bottom line of economic health, social responsibility, and environmental protection.

Madam Speaker, as far as the "Go East" initiative is concerned, I want to thank the residents of the district of Bodden Town, my constituency, and the residents of the district of North Side, Madam Speaker – your constituency – for the excellent turnout that we had at the forums in those two districts. The East End forum, Madam Speaker, has been rescheduled to the 27th of May; it was actually scheduled for the 13th – this Saturday – in East End, but because there are so many other things going on: it is the Batabano weekend, it is a long weekend, and we expect that some people will be traveling while others will want to participate in Batabano. So, in order to try to give as many East Enders as possible the opportunity to come out to the forum, we felt it was best to reschedule it to the 27th of May and the time is going to remain the same: it will start at 10 am and end at 3 pm, and I am certainly looking forward to their support, just as we have had very strong support from the residents of Bodden Town and North Side so far.

Now, Madam Speaker, there has been some negative press on the "Go East" initiative as well. While I do not necessarily need to call any names, I have seen letters written to the editor and I have seen other articles from individuals who have criticised the project and have used all sorts of reasons for doing so. Madam Speaker, in at least one of those cases, it was simply hypocrisy, because the individual who was being so critical of the "Go East" initiative was one of the first individuals on the doorstep of the Department of Tourism to try to find out what opportunities they had in their district in relation to this "Go East" initiative. The information was certainly given to the individual and now we see that they are being very critical of the project. Perhaps it is like some people who choose to criticise projects, Madam Speaker, so that they can quietly develop their programmes and benefit from these initiatives while publicly opposing them. Madam Speaker, such is the nature of some people and we have to move on, we cannot be distracted by the naysayers.

Most recently, we have seen an article in the Cayman Observer, titled "The short term challenges of

the "Go East" plan." Madam Speaker, while I do not mind constructive criticisms of my programmes and policies, what struck me about this article was that it was almost inviting some type of confrontation and friction between the tourism operators on the West side of the Island and those on the East side of the Island. So, for the avoidance of doubt, Madam Speaker, I want to say that we have one tourism industry in the Cayman Islands, and the Ministry of Tourism is supporting that tourism industry. We have an initiative now called the "Go East" initiative, that is trying to make sure that we better manage tourism, and that we lessen the congestion issues that we have in Central George Town and particularly along the West Bay peninsula, and at the same time spread some of those economic benefits much further and wider across the country, we are receiving some criticism.

I meet with the Cayman Islands Tourism Association once a month, unless there is some reason for not being available such as travel or otherwise, but generally speaking we meet once a month, we have a very good relationship and those individuals in the tourism industry, Madam Speaker; those on the West side of the Island those on the East side of the Island are too smart to fall into that trap, and I know, Madam Speaker, that that is not going to happen. Again, like everything else that we do in life, we are going to face some challenges and so we have come to expect that and we are prepared to face those challenges but we will not be distracted, Madam Speaker, from the primary mission.

Madam Speaker, complimenting the "Go East" initiative is the development of soft adventure and nature tourism markets which will provide new opportunities for promoting the Cayman Islands, particularly for the benefit of our Sister Islands of Cayman Brac and Little Cayman. Education and training are also critical and will be used to raise the quality of customer services throughout the tourism sector of the Cayman Islands economy. In keeping with the PPM's mandate, a Tourism Apprenticeship Training Program will provide the industry with a consistent and larger source of competent and qualified Caymanian workers and the Department of Tourism will work jointly with the Department of Employment Relations, the University College of the Cayman Islands, and the International College of the Cayman Islands, as well as the private sector to initiate the apprenticeship training. The Ministry of Tourism, Madam Speaker, is currently in the process of appointing persons to serve on the Steering Committee for this project.

The goals which have been set for the Department of Tourism have significant benefit for the country. Tourism, after all, Madam Speaker, represents 50 per cent of the Gross Domestic Product; it provides 27 per cent of the total employment in the country; it contributes more than C\$30 million directly to government and statutory authorities, and, Madam Speaker, the multiplier effect of the tourism spend

generates broader indirect economic benefits that cannot be accurately measured. In consideration of the industry's ongoing recovery and the Department's vital role in facilitating the same, the Government has approved the Department's full budget request for the 2006-2007 fiscal year; the Department of Tourism received a budget increase totaling \$2.8 million. In return, the Department of Tourism has outlined programmes which comprehensively addresses core functions, including marketing and promotions, product development, and human capital development.

Madam Speaker, unfortunately I have to pause here again to make mention of an article – several articles, actually – which appeared in Cayman Net News in relation to the Cricket World Cup, 2007, which will be hosted in and by certain Caribbean countries. The articles, Madam Speaker, and editorial which I read in relation to that were extremely critical of the Government for not embracing Cricket World Cup, 2007. Madam Speaker, I want to point out a couple of things about that: the first is that the discussion on Cricket World Cup, 2007 started two or three years ago. I was involved in those discussions as the then-Permanent Secretary in Tourism, and the fact of the matter is that the then-Government, the United Democratic Party administration expressed an interest in hosting some of the matches for Cricket World Cup, 2007, but the Government quickly recognised that we did not have the infrastructure in place to do that, and as a result, they decided to take the offer off the table.

Madam Speaker, I have been involved in several meetings since that time, again in my capacity as Permanent Secretary at the time, but even since then in my current capacity of Minister of Tourism, and, Madam Speaker, for a country that is not a host country for Cricket World Cup, 2007, we have to approach the situation extremely cautiously, and let me explain that. First of all, the games are being hosted during our peak season, towards the end of our peak season, and we still have, fortunately, a fairly large percentage of our visitors who are repeat guests. Madam Speaker, what we do not want to do, because we are going to have high occupancies at that time – we do not want to do anything which might displace those repeat guests, and interrupt their usual travel pattern and as a result, send them to some other competing destination for what is a one-off opportunity, and so all of these things must be figured into the mix when considering Cricket World Cup, 2007.

I certainly, Madam Speaker, as Minister of Tourism, during the meetings with the Caribbean Tourism Association Organisation have supported those countries that have decided to participate. I will continue to support them. In fact, Madam Speaker, during a discussion last year in New York, I discovered rather inadvertently that Jamaica had perhaps inadvertently included our room stock in their numbers for hosting Cricket World Cup, 2007. I have a very good relationship with the Minister of Tourism from

Jamaica and Madam Speaker, the Permanent Secretary was there at the time— the PS from Jamaica— and I asked the Department of Tourism to liaise with them to make sure that they understood that we needed to have dialogue on this if that was to happen and clearly we would then have to discuss with our private sector what might be available, because as I said, we are going to have very high numbers at that time.

Notwithstanding all that I have said about that, we will continue to seek what opportunities we can to fill any rooms that we might have available at that time. I wanted to put it in context, Madam Speaker, because the way it was presented in the newspaper suggested that no consideration whatsoever had been given to Cricket World Cup, 2007, and that is simply not the case. Madam Speaker, it is interesting that an article such as that would be written when we are having, as I said earlier, weekly Press Briefings and no one bothered to ask the question so they could get some feedback before going with the article.

The Speaker; Honourable Minister, is this a convenient break to take the afternoon break?

Hon. Charles E. Clifford: Yes, Madam Speaker.

The Speaker: Proceedings will be suspended for exactly fifteen minutes, please.

Proceedings suspended at 3.35 pm

Proceedings resumed at 4 pm

The Speaker: Proceedings are resumed. The Honourable Minister responsible for Tourism continuing his debate.

Hon. Charles E. Clifford: Thank you, Madam Speaker.

Madam Speaker, when we took the break I had just concluded my remarks on the Department of Tourism and I want to move on now to the Tourism Attractions Board. The Tourism Attractions Board is poised to embark on a new chapter in its approach to the business management and attainment of financial independence. The strategic objectives and goals established for 2006-2007 will impose a more prudent discipline in financial management for the attractions managed by the Board.

The Board's main goal for the new fiscal year is to eliminate its accumulated deficit and to find new ways to generate additional revenues needed to produce its agreed outputs and services. To achieve this goal, the management and staff will be required to change the existing organisational culture and adopt a more efficient, professional, and business-like approach to the management of the attractions. Madam Speaker, this is a daunting goal, particularly as the Tourism Attractions Board has never achieved break-

even since its inception, and its main attraction, Pedro St. James National Historic Site has been closed to regular business for an extended period since Hurricane Ivan. Nevertheless, the Tourism Attractions Board has embraced the challenge. In the end, any reduction in the Board's historically high annual losses is to be commended.

Madam Speaker, it follows that the plan to correct these losses is certainly laudable. Also, in order to provide greater transparency as to the full extent of the Government's investment in Pedro St. James, the loan which the Government has held on behalf of the Tourism Attractions Board has been transferred to the Board along with the corresponding budget to repay the loan. By placing the loan where it belongs, Madam Speaker, there is greater openness and accountability. As part of its new business strategy, the Board is recruiting a Marketing Manager who will be responsible for the development and implementation of a marketing and business plan that will assist the attractions in generating additional revenues.

One focus of the marketing plan will be to promote the Queen Elizabeth II Botanical Park and Pedro St. James attractions as unique and romantic revenues for weddings and other special events. Madam Speaker, the reopening of Pedro St. James this summer marks the end of the Tourism Attraction Board's Hurricane Ivan Recovery Programme. Pedro St. James recovery has been long and difficult however, Pedro St. James is now focusing on another daunting task which is to stem the financial losses, which have characterised its operation since its inception. To achieve financial success, the Tourism Attractions Board will explore new ways to increase visitor demand for this historic site. Madam Speaker, to this end, it is intended that the Pedro St. James National Historic Site will play a key role in the "Go East" initiative which I discussed earlier, as well as the Department of Tourism's programmes to establish the Cayman Islands as a preferred destination for romance, family, and heritage travelers. Plans are underway for the restoration of the Rankin House located in the Heritage Gardens at the Queen Elizabeth II Botanical Park and upon completion this house will be reopened for the benefit of visitors and our residents.

Madam Speaker, the Cayman Craft Market has been in operation for six months and during this time the number of cruise ship passengers visiting the market has increased, however, the market continues to experience teething issues and problems which have to be addressed before it can realise its full potential as a craft market and tourist destination. To address the issue of sustainable supply of Caymanian products in the marketplace, and Madam Speaker, you and other Members of this House might remember that when I first spoke about the Craft Market I underlined my concern for the whole issue of ensuring a regular and consistent supply of goods, and my fear that the local operators would need some help in or-

der to achieve that. So, to address this issue, Madam Speaker, the Board plans to organise a workshop to train artists and vendors on production strategies to ensure a consistent supply of arts and crafts.

Turning now to Cayman Airways, Madam Speaker: Although high fuel costs made 2005/2006 another challenging year for the airline industry, the national flag carrier reached many significant achievements during the year. The new Board of Directors appointed in July 2005 developed a plan to move the airline toward sustainability. The current financial year-end projections indicate an increase in revenue of some \$7.8 million – that is, 20 per cent over the corresponding period last year. This is a commendable achievement and it is certainly an important contributor to the recovery and growth of the Cayman Islands.

Madam Speaker, looking forward to 2006-2007, the overriding objective is to continue to reduce the gap that exists between revenue and expenses. This will be a challenge given the high fuel cost, increasing interest rates, and increased competition. That is the nature of the aviation business. The first step, Madam Speaker, will be the efficiency audits, which I announced sometime ago and recently advised the media that we had selected Lufthansa Consulting to do the audit. The audit is expected to be completed by the end of June this year, and implementing the recommendations of the audit will be the central focus of the 2006-2007 fiscal year. It is important to note, Madam Speaker, that the airline has adopted ambitious targets amidst high fuel prices and growing competition. In 2006-2007 the airline has aimed dramatically reduce its losses. Madam Speaker, the airline will continue to strive to achieve these savings by strategically reducing its expenditures, increasing revenue and by seeking to implement the findings of the efficiency audit it is undergoing.

The airline should be commended for embracing such a bold performance targets and Cayman Airways and its staff have this Government's full support and I sincerely thank them for their sterling efforts. However, Madam Speaker, I must caution that the airline is facing a daunting challenge given the volatile nature of the aviation industry. Just in recent days fuel prices as we have heard have increased significantly and has reached unprecedented levels. To achieve these targets, the airline will need the unconditional support of the management and staff of the airline, as well as the continuing loyalty of the Cayman Islands traveling public. However, even as we strive to improve the internal performance of the airline, we will have to be mindful of those external forces which are beyond the airline's control and which directly impact its bottom line.

Madam Speaker, in terms of seeking to influence its internal performance by achieving greater efficiencies, the airline is reviewing the performance of all routes, and some schedule modifications may re-

sult. Also, Madam Speaker, we intend to make additional investments in the cargo operation and that is expected to generate continued growth in excess of 30 per cent for the coming year. The inter-island service operated by CAL Express expects to see a moderate increase in both flights and passengers in order to meet the increase in domestic tourism and traffic between the three Islands. CAL Express has also recently purchased its own twin-otter aircraft to operate the route. This new equipment, Madam Speaker, will be in operation in this financial year, while the impetus for purchasing the twin-otter aircraft was the unavailability of suitable replacement aircraft for lease. The purchase of the equipment will result in operational savings for CAL Express in 2006-2007 and greater certainty for the future operations of the inter-island service, as it will no longer be subject to CAL's ability to negotiate lease terms on equipment, which is in short supply and high demand. By investing in the purchase of the equipment the Government and the airline have committed to the long-term reliable air service to our Sister Islands of Cayman Brac and Little Cayman.

Another positive development impacting the Sister Islands route is the improved service and the convenience for passengers who are traveling from Cayman Brac to Miami via Grand Cayman. These passengers no longer are required to recheck their bags at the ticket counter when they arrive in Grand Cayman. Instead, once passengers check their luggage in the Brac, all required security measures for these bags will take place without further involvement of the passengers and the inconvenience which used to be involved in having to recheck the bags at the counter.

In terms of the fleet of jets for Cayman Airways, Madam Speaker, the Board and Management of the airline will assess the composition of the fleet with a view towards improving aircraft operating efficiency and productivity. In particular, as the Governor indicated in the Throne Speech, the airline plans to reduce the number of jets in the fleet from five to four with the retirement of one aircraft in 2007. Now, Madam Speaker, that does not necessarily mean that there will be a reduction in service; there will simply be greater efficiencies in terms of scheduling and route planning and, of course, as I indicated earlier, the efficiency audits will certainly bring to the table additional recommendations in that regard.

Madam Speaker, the airline is also progressing with plans to centralise its operations as the company continues to operate from numerous locations with insufficient space to adequately accommodate its staff. Centralisation of the various departments will result in operating savings and greater synergies among the staff. Madam Speaker, in recent articles in the newspapers, particularly articles written by the Leader of the Opposition, much has been said about Cayman Airways, and in particular, in an article in Cayman Net News, on the 14th of April, 2006, there

was a great deal of discussion on the National Flag Carrier, which I think, Madam Speaker, was more of a political discussion, which I think is most unfortunate because as the First Elected Member from Cayman Brac and Little Cayman pointed out during her contribution, for the most part, their Government and certainly this Government has tried its best to keep politics out of Cayman Airways. Cayman Airways was used as a political football for many years, Madam Speaker and it does not serve the airline well, it is unfair to the employees, and while there will be occasions that I will have to respond to some of the rhetoric from the other side, I certainly want to limit those occasions because, as I said, I do not think it is fair to the employees to once again allow the Leader of the Opposition to politicise our National Flag Carrier.

In that article, a number of things were said including the statement that the employees of the airline were disgruntled and they were demoralised, and all sorts of allegations about the management of the National Flag Carrier. Madam Speaker, I want to invite the Leader of the Opposition to review the comments of his colleague, the First Elected Member from Cayman Brac and Little Cayman when she made her contribution to the Budget debate, because I think she has a much clearer picture of the reality of the airline as it relates to its employees, and I thought she was very fair in her comments when she spoke about that, and she said that she can see the teamwork emanating from CAL and that the employees are behind the airline 100 per cent. That, Madam Speaker, is certainly in direct contrast to the position put forward by the Leader of the Opposition in his article in the Cayman Net News on the 14th of April, 2006.

By the way, Madam Speaker, that article was entitled "*Hold on, help is on the way.*" Well, Madam Speaker, as I have said on the Floor of this House before and I will say it again, "*help has arrived, and help is working.*" Madam Speaker, there were many other misrepresentations in the article to which I referred earlier. All sorts of allegations about me wanting a certain Captain removed from office when I was Permanent Secretary and Madam Speaker, unlike the Leader of the Opposition I am not going to be calling names because I think again that is grossly unfair and should not have been done. However, that, Madam Speaker, was a very clear misrepresentation and what made the misrepresentation and the fabrication so obvious is that the Leader of the Opposition went on to say that his response to me at the time was that if I wanted that done, I would have to bring something for him to take to Cabinet. Now, Madam Speaker, the Leader of the Opposition and every Member of this Honourable House is well aware that the hiring and firing of staff at Cayman Airways is not the responsibility of Cabinet; it is not the responsibility of the Minister; it is the prerogative of the Board of Directors and the Management of the airline.

You see, Madam Speaker, he figured in making those comments (that is the Leader of the Opposi-

tion) that the public would not know any better, so when he threw in the additional statement saying that he told me I needed to have something for him to take to Cabinet, he figured that would make his story more credible. Well, now Madam Speaker, the public is aware, for those who may not have been before, of what the situation is. I do not want to prolong this particular part of the discussion but, just to say that the Leader of the Opposition and I did have a discussion about flight operations when I was Permanent Secretary, and I advised him that the Civil Aviation Authority had requested a meeting with me as Permanent Secretary and as a Director on the CAL Board of Directors and with the then Chairman. I do not need to get into the discussion that we had with Civil Aviation, but suffice it to say, I was somewhat taken back by the very derogatory remarks which the Leader of the Opposition made about that same Captain, and in fact his family, at that time. The same Captain that he is now trying to find favour with by making these misrepresentations in the newspaper.

Madam Speaker, the final point I want to make on that particular issue in the article is, that the Captain to which the Leader of the Opposition referred, while it is true that he is no longer in the Management team, the Leader of the Opposition is aware that that was a decision of the Board of Directors and he is equally aware that the Captain is now back in the cockpit and he is now operating as a pilot once again. He did not say that; the Leader of the Opposition chose not to say that, because, Madam Speaker, I can only assume it did not serve his purpose to do so. All of this was said in the context of allegations of victimisation, but I am going to come to that in due course, Madam Speaker.

The Leader of the Opposition was equally aware that I have given the Board of Directors a mandate as I indicated earlier; to ensure good governance and reduce the gap between expenditure and revenue and that I have left them to get on with the job. Madam Speaker, reference was also made in that article to that programme to swap the fleet of Boeing 737-200 jets for the 737-300s, and the Leader of the Opposition indicated that he felt that that was the right move at the time. I think he is right, Madam Speaker, I still believe that that was the right decision at the time, and that those particular aircrafts are well suited for the airline, but again, we will see what the efficiency audit tells us when it is finished.

What I wanted to highlight, Madam Speaker, is that in the article the Leader of the Opposition would not tell the entire story, and you see, what he did not tell the country, Madam Speaker, is that he wanted to acquire the Boeing 757 aircraft so he wanted to swap the 737-200s with Boeing 757s, and it was my job on behalf of the Board of Directors to convince him that given Cayman Airways' average load factors at the time, that going with the 757 aircraft would certainly not be a prudent move, and would ultimately bring about the demise of our National Flag

Carrier. Let us not forget, Madam Speaker, that the Leader of the Opposition is the same person who in 2001 and in 2002 was flirting with the idea of having Air Jamaica take over Cayman Airways' operations.

The question is, Madam Speaker: was the plan to acquire the Boeing 757, a part of the overall plan, to facilitate Air Jamaica? I do not know the answer to that, Madam Speaker, but I suppose people will draw their own conclusions. To his credit – to the Leader of the Opposition's credit – after much debate and to-and-fro, decided to go with the view of the Board of Directors that we should replace the 737-200s with 737-300s. Thank God for that, Madam Speaker, because I truly believe that if that had not happened at that time and then gone to the 757s, the discussion which I would be having on the Floor of this House right in relation to Cayman Airways would be quite a different discussion.

Madam Speaker, the airline intends to make significant investments in the information technology systems with a view to improving the productivity of staff and enhancing the management information systems. The first step will be selecting and implementing a computerised reservation system which will allow for improved productivity as well as increased customer convenience. I just want to underscore one more time, Madam Speaker, because I have said quite a bit about Cayman Airways, but we do have the efficiency audits ongoing and much of what I have talked about will be subject to the findings of the efficiency audits. In other words, some of those things may change when we get the recommendations. Madam Speaker, finally on Cayman Airways, the airline will strengthen its existing ties with the Department of Tourism to co-ordinate marketing and advertising efforts to optimise the economic return for the Cayman Islands.

Next is the Cayman Islands Airports Authority. The Airports Authority will embark on a major redevelopment programme over the next few years to improve the aviation infrastructure at the Owen Roberts International Airport. The first phase of this multi-year re-development programme will focus on the terminal building at the Owen Roberts International Airport. The changes will include an expanded check-in concourse, a new and improved international departure hall on the second level, dedicated domestic departure and arrival hall, expanded Immigration, Security, and Customs areas. The re-designed terminal will also include jet-ways which will allow passengers to disembark and embark directly and much more efficiently.

In keeping with the policy directives of the Government, the site preparations for an airport on Little Cayman will continue during this period, and Madam Speaker, I want to add here that we are in discussions with the stakeholders in Little Cayman in relation to the airport and we have a request on the table to revisit a number of other proposed locations and we intend to conclude that matter shortly so that we can move ahead with plans to develop the airport

in Little Cayman. The airport will be developed in accordance with established standards necessary for the certificate and licensing of public transport aerodromes. It will include a 4,000 feet long by 100 feet wide runway, apron, terminal and fire rescue facilities. I am also pleased to report that the capabilities of the Air Traffic Control Unit at the Owen Roberts International Airport will be enhanced with the installation of radar at that airport.

This radar project is being pursued in cooperation with COCESNA (Central American Corporation for Air Navigation Services), the agency responsible for air traffic control and air navigation services throughout the Central American states. This facility, Madam Speaker, will be utilised to provide positive air traffic surveillance in the Northwest Caribbean airspace, and will be used locally for the control of domestic traffic in the Cayman area.

Madam Speaker, the Authority will seek to continue its revenue enhancement measures through NUN airline and NUN airport operations by strengthening its marketing capabilities and offering improved products and services.

Madam Speaker, turning now to the Port Authority of the Cayman Islands.

The Port Authority of the Cayman Islands continues to experience positive growth in its cargo operations and consistent cruise ship operations. Current indications are that this vibrant growth will continue over the next several financial years. Cargo volumes appear to have now stabilised, albeit at a somewhat lower level following a record year in 2005 in the aftermath of Hurricane Ivan. However, cargo volumes are still higher than the long-term average. Madam Speaker, the Port Authority is ensuring that through continued investments and fixed assets and human capital, future cargo volumes will be handled safely and efficiently.

The Royal Watler Cruise Terminal which was started almost two years ago, was certainly developed in conjunction with the Florida Caribbean Cruise Association, and it will serve to enhance the cruise visitors experience through extensive public open spaces, shopping, and most importantly will facilitate more efficient passenger movements on and off the cruise ships. The existing cruise terminals in George Town, and along the Spotts landing, are also slated for major improvements.

Secondly, for the Cayman Islands to remain competitive as a destination over the longer term, it is recognised that we must expeditiously develop berthing facilities for cruise guests, thus, Madam Speaker, the Government and the Port Authority are actively pursuing this objective toward berthing at least four cruise ships simultaneously. Madam Speaker, again, and I say again unfortunately, I have to refer to an article in Cayman Net News in relation to this matter. Madam Speaker, the article was headlined something to the effect that "Berthing Talks Finally Begin" and Members of the House and the listening public will

remember that I had to make a statement to correct that article because the article alleged that meetings had taken place between the Government and Misener Marine on berthing facilities, and the article was written in the context of an update which I gave at a press briefing that indicated I had had meetings on cruise berthing facilities with two interested parties which I did not name.

So, Madam Speaker, I corrected that story and I think it was Friday last week; the Cayman Net News ran another story headlined "Minister says no Misener." This time, Madam Speaker, the article suggested that meetings had taken place, not between the Government and Misener, but between the Chairman of the Port Authority and Misener Marine, which, Madam Speaker, is entirely possible given the fact that Misener Marine was the marine contractor selected to do the Royal Watler Cruise Terminal and that project is coming to an end, and I am sure there have been some meetings between the Port Authority and Misener over the last several months to conclude that project.

That is quite a different matter, Madam Speaker, than the berthing facilities I have spoken about frequently since being Minister of Tourism, and if it was that the first article was in relation to the meeting between the Chairman of the Port Authority and Misener Marine, then the article should have said that; it should not have suggested that it was a meeting between the Minister of Tourism, myself, and Misener Marine, or between a Government official, the Government Minister and Misener Marine.

The Speaker: Honourable Minister, it is the hour of interruption. Are you going to be completing within another five to seven minutes? I think you have forty something minutes remaining.

Hon. Charles E. Clifford: No, Madam Speaker, I am far from being completed.

The Speaker: Is it the intention of the House to carry on until the Honourable Minister has completed his debate? If so . . . (pause). Honourable Leader of Government Business, could I have a motion for the adjournment? (pause). So, it is not the intention of the Opposition to support a motion to carry on for forty minutes to allow the Minister to complete his debate. Is that my understanding?

Mr. Rolston M. Anglin: Madam Speaker, no one indicated working late, so I do not think that it is fair to say that the Opposition is not going to support that; no one came prepared to work late and we have reached the hour of interruption.

The Speaker: Honourable Leader of Government Business, you have one of two choices: to move a motion to continue for forty-five minutes, or to adjourn this Honourable House until Wednesday morning.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker. Certainly, the Second Elected Member from West Bay is correct, we were just asking for an indication if they were prepared and obviously they are not, so with your permission I would put members on notice that it is possible we will need to work late on Wednesday afternoon.

Madam Speaker, I move the adjournment of this Honourable House until Wednesday morning at 10 am.

The Speaker: The question is that this Honourable House do now adjourn until 10 am on Wednesday morning. All those in favour please say Aye.

AYES.

The Speaker: Those against, no. The Ayes have it. This Honourable House now stands adjourned until 10 am on Wednesday morning.

At 4:30 pm the House stood adjourned until Wednesday, 10 May 2006 at 10 am.

OFFICIAL HANSARD REPORT
WEDNESDAY
10 MAY 2006
10.19 AM
Sixth Sitting

The Speaker: I call on the Third Elected Member for the district of Bodden Town to say Prayers.

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 10.22 am

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

Apologies

The Speaker: I have received apologies for late arrival of the Honourable Minister of Health and Human Services, the Honourable Minister of Communica-

tions, Works & Infrastructure and the Honourable First Official Member.

**STATEMENTS BY HONOURABLE
MINISTERS/MEMBERS
OF THE CABINET**

The Speaker: I have received no notice of statements by Honourable Ministers or Members of Cabinet.

GOVERNMENT BUSINESS

Debate on the Throne Speech Delivered by His Excellency, Mr. Stuart D.M. Jack, C.V.O., Governor of the Cayman Islands, together with the Second Reading Debate on The Appropriation (June 2006 to July 2007) Bill 2006 (The Budget Address), Delivered by the Financial Secretary, the Honourable Third Official Member, on Friday 28 April 2006

(Continuation of debate thereon)

The Speaker: Honourable Minister of Tourism.

Hon. Charles E. Clifford: Thank you, Madam Speaker.

Madam Speaker, when we took the adjournment on Monday I was speaking to the subjects for which I hold constitutional responsibility and I had just completed my remarks on the Port Authority of the Cayman Islands. I will move on now to the Boatswain's Beach/Turtle Farm attraction.

In September 2005 the first phase of Cayman's newest and largest tourist attraction, Boatswain's Beach was opened. Phase two of Boatswain's Beach will open this summer offering visitors the opportunity to swim and snorkel with fish and other marine life in a 1.3 million gallon salt water lagoon. They will have the opportunity to stare at predators and to come nose-to-nose with sharks, eels and other large fish in an adjacent tank.

In addition to these exciting animal interactions, this redevelopment attraction will offer fine Caymanian cuisine at different locations throughout the park. Three restaurants at Boatswain's Beach have been inspired by Cayman's relationship with the sea and its natural environment. Madam Speaker, the first restaurant was opened in September 2005 and that is the Turtle Crawl Deli. The second restaurant, Schooner's Bar and Grill will open this summer when the second phase of Boatswain's Beach will come online. A proposed third restaurant, a fine dining res-

restaurant, is going to be pursued as phase three of the project.

Madam Speaker, Boatswain's Beach has been solidifying relationships with on-Island and international partners, as well as the cruise industry and I am happy to report that in October/November 2006 Boatswain's Beach will host one of the Florida Caribbean Cruise Association's (FCCA) conference events.

Moving on, Madam Speaker, to the Department of Environment, the Ministry and Department are in the process of finalising the legislative provisions necessary to implement the North Sound special management areas in the vicinity of the Sandbar and Stingray City. Additionally, the Department of Environment will work towards full implementation of endangered species, Trade and Transport Law and will continue to work on the draft national conservation legislation. During the 2006/2007 financial year the Department will assist the Ministry in finalising the Draft National Conservation legislation for presentation to the Legislative Assembly as a draft bill.

Madam Speaker, the Department of Environment's 2006/2007 Budget contains provision for an additional research officer to supplement the department's scientific expertise in terrestrial ecology, thus ensuring that the Department is better equipped to implement the provisions of the new legislation. In addition, Madam Speaker, the Department's conservation enforcement capability will be expanded through the addition of a second enforcement officer for Cayman Brac and Little Cayman. During the coming year, the Department of Environment will utilise a combination of remote sensing and biological survey techniques to create habitat maps for the marine and terrestrial environments of the three Cayman Islands. These maps, Madam Speaker, will allow a visual estimate of the amount of different habitat types that exist at the present time, thus establishing a baseline from which to measure future rates of change. In addition, it will be possible to make inferences regarding the amount of habitat lost to development and Hurricane Ivan and utilise this information to assist in monitoring the rate of natural recovery.

Madam Speaker, the Department of Environment will also begin the development of a national biodiversity action plan for the Cayman Islands that will set out specific actions which need to be taken in order to safeguard the diversity of life in the Cayman Islands. Madam Speaker, habitat plans will be developed for habitats which support endangered, endemic species, habitats that provide important ecological and economic services and habitats which support an unusual diversity of species. Species plans will focus on species that are of cultural and commercial importance, for example, Madam Speaker, conch, lobster and the silver thatch, endemic species (that is species that are found only in the Cayman Islands), as well as threatened and endangered species, such as the Naussa Grouper and the Grand Cayman Blue Iguana.

Madam Speaker, in addition the project will ensure that the general public are kept aware of the projects and activities and how they can get involved. There is already a dedicated Darwin Initiative website under construction at caymanbiodiversity.com which will create many opportunities for public participation and interaction.

The Department of Environment will also continue development of an in-house sustainable development programme including the formulation of mechanisms and policies aimed at ensuring that the Islands are in a position to adapt or to mitigate the predicted impacts associated with global climate change.

Finally, Madam Speaker, on the Department of Environment, the Department will continue to acquire key parcels of land in the proposed Barkers' National Park. A detailed habitat map of the park will be created and preliminary work will begin on a comprehensive management plan.

Moving now, Madam Speaker, to the Cayman Islands Investment Bureau, the Bureau's programme for this year will ensure that the ongoing, international proportional efforts are integrated into the overall economic development and entrepreneurship programmes which the Bureau is running. Specifically, the Bureau will seek to further disseminate details and comprehensive informational resources on the Cayman Islands' business environment and the procedures and regulations that affect business establishment. Access to such information by entrepreneurs and investors will encourage trade and commerce by facilitating the implementation of new business ideas and opportunities.

Madam Speaker, the Bureau will also continue to expand its involvement in the provision of assistance to small businesses and entrepreneurs. Workshops, seminars, individual counselling and the facilitation of access to potential funding opportunities are but a few of the services that will support this important sector of the Cayman economy. I want to say at this point that the Cayman Islands Investment Bureau has played, and will continue to play, a key role in the "Go East" initiative and they have been at the forefront of the workshops which we have held so far in the eastern districts. I want to thank the Executive Director, Mr. Dax Basdeo and his staff for their support.

Madam Speaker, the Bureau also has an active schedule of conferences and events for the promotion of the financial services sector. Along with industry partners, the Bureau does ensure that the Cayman Islands has a prominent presence at major events and conferences including insurance hedge funds and yacht registration to name a few.

Madam Speaker, during his contribution the Leader of the Opposition criticised this Government's decision to close the Investment Bureau office in Hong Kong. He also criticised our statement that we would not be going to proceed with his stated intention

when he was leader of Government Business, to open an office in Dubai at this time. Madam Speaker, what the Leader of the Opposition did not say during that part of his contribution was that his approach to the Cayman Islands Investment Bureau was to open a satellite office in London, to slap the name of the Investment Bureau on the Department of Tourism doors in New York and proclaim that he had an investment bureau. However, Madam Speaker, at the same time there was no central investment bureau and no headquarters here in Grand Cayman to develop the policies and programmes which one would expect to find at an investment bureau. So, essentially, Madam Speaker, you had a situation, once again, where you were putting the cart before the horse and it was simply an unworkable situation. A similar approach was taken with the Hong Kong office.

Madam Speaker, you know, people can draw all sorts of inferences as to why that was done. As an example, people will say that it was done in London to provide employment opportunities for people who supported the Leader of the Opposition at the time, but be that as it may, Madam Speaker, it was the incorrect approach.

We heavily consulted the private sector here with respect to the Hong Kong office and we all came to the view that the office was established prematurely, that the focus had to be on establishing a headquarters here in Grand Cayman, on developing the policies and programmes for that office, then once we had significantly advanced that particular cause we could look to opening additional satellite offices in other parts of the world. So, as we go along with the policies and programmes of the Investment Bureau, Madam Speaker, we will look to see where we might be able to establish additional satellite offices.

We have given the Investment Bureau the mandate to ensure that as far as the London office is concerned, it is staffed with individuals with the appropriate skills to carry out the mission that we have set down. Notwithstanding the fact that the previous administration up until the point that they left office had not staffed an investment bureau in New York (they simply had a name on a door), therefore this Government is of the view that we should staff that office, and the Investment Bureau here in Grand Cayman has been given a mandate to ensure also that that office is staffed with appropriately skilled individuals.

Madam Speaker, moving on now to the Cayman Islands Development Bank: During the 2006/2007 fiscal year the Cayman Islands Development Bank will continue to focus on formulating a long-term strategy for sustainable funding to meet the growing demand for development financing, particularly, for the small business sector. To this end, the bank will pursue new sources of funding with a view toward minimising on lending cost for its customers. Another key objective of the Development Bank is the expansion of its services by acting as the financial

intermediary or provider of loan funds to other Statutory Authorities and Government-owned companies.

As an agent for these bodies the bank will be able to minimise the Government's direct and contingent liability, as well as help simplify and streamline its debt management. Madam Speaker, the foregoing initiatives to be pursued are consistent with the bank's strategy to become self-sustaining and to create an improved portfolio mix, favouring small businesses, the housing sector and human resource development.

Along with providing funding for the indigenous sector, the Cayman Islands Development Bank will continue to build up its ancillary services by providing technical counselling and guidance to its clientele to facilitate the success of projects financed by the bank. In this regard, Madam Speaker, the bank will retain its close working relationship with the Cayman Islands Investment Bureau by co-sponsoring workshops and seminars for small businesses to augment the basic business management knowledge and skills of the project sponsors.

Again, Madam Speaker, I also want to thank the Cayman Islands Development Bank for their involvement in the "Go East" initiative and for their participation in the district forums which we have held so far. As we know, the bank will play a significant role in the "Go East" initiative in that it will make funding available to those individuals who are interested in developing tourism-related businesses in the eastern districts. In conjunction with the Cayman Islands Investment Bureau they will ensure that those individuals have support and guidance when it comes to preparing business plans, and ongoing support in terms of counselling services once they have established their respective businesses.

Madam Speaker, in keeping with the Government's policy objective, the bank will promote easier access to services through regular visits to an active promotion in the Sister Islands of Cayman Brac and Little Cayman. Madam Speaker, the first phase of the physical restructuring of the bank's offices was completed in the 2005/2006 year, with the second phase to be undertaken during the 2006/2007 financial year. The first phase, Madam Speaker, a new front office facility, will emerge in keeping with the bank's improved customer service focus while the second phase of the improvement works will concentrate on the back office which will complete the transformation of the office premises into a full-fledged banking establishment. In all, the Ministry of Tourism and all of its core agencies are working to deliver sustainable results both in terms of more effective use of Government resources and in terms of increased contributions to the economic, social and environmental welfare of these Islands.

Madam Speaker, just before moving on from the subjects for which I have constitutional responsibility I wanted to take this opportunity to congratulate Mr. Shomari Scott who has been recently promoted to Deputy Director of Tourism, responsible for marketing.

Madam Speaker, I believe that Mr. Scott is well known to most Members of this Honourable House. He is a young Caymanian with qualifications in the tourism industry. He is well respected by the industry, both the private and public sector stakeholders. I am certainly very happy to see Mr. Scott in that position and simply wanted to congratulate him and underscore my support for him going forward.

Madam Speaker, during my discussion on Cayman Airways earlier in the debate, I intended to speak briefly on the subject of Cayman Airways' proposed acquisition of Sammy's Airport Inn. So, I just wanted to take the opportunity to say that the airline, our national flag carrier, is continuing to negotiate the purchase of Sammy's Airport Inn, but the negotiations have not been completed and the property has not been acquired at this point. However, Madam Speaker, assuming that everything is in order in terms of the structural integrity of the building, and once we have properly analysed the fit-out cost of the building, we believe that if all of the indications are that it makes sense from a financial point of view, it certainly will be the direction that we will be heading. It makes absolutely no sense, in my view, for the airline to continue to rent multiple locations around the Islands for its various departments and units, and to continue to pay out the amount of rent that it is paying out when we could be building equity in our own facility.

Madam Speaker, I want to move on now to the district projects, the projects in my constituency of Bodden Town. I want to start, Madam Speaker, by saying how happy and pleased I am to be working alongside the Honourable Minister of Health and the Third Elected Member for the district of Bodden Town. Madam Speaker, we operate as a team and I think that is certainly evident to our constituents and to the country.

The Third Elected Member for Bodden Town, when he was making his contribution, made mention of the fact that while the Minister of Health and I have regular ministerial duties at our offices in the Glass House, and wherever we have to attend meetings, conferences and other events in connection with those ministerial responsibilities, we nonetheless make ourselves available most Thursdays at our constituency office from 3 to 7 pm – that is, when we are not either travelling or at another on-Island event that would prevent us from doing so. Madam Speaker, I wanted to make special mention of the Third Elected Member for Bodden Town, my colleague, because while the Minister of Health and I, as I just mentioned, are regularly tied up with ministerial duties at the Glass House, the Third Elected Member for Bodden Town is on the ground in the district, dealing with the constituents, giving us feedback, sending requests to us that need to be actioned and I want to sincerely thank him for his efforts.

Madam Speaker, I know that by the end of the PPM's first term in office the people of Bodden Town will see a real difference on the ground and will feel a

real difference in their lives because of the efforts of the three elected Members for Bodden Town, and their approach to the needs of their constituency.

Madam Speaker, the first project I want to speak about is the repair and renovation of the existing Civic Centre. The issues concerning the assessment on the structure of the building have been resolved and we are moving rapidly to ensure that bids are invited and that a contract is awarded in short order for the renovations and upgrade of that building. Given the significant flooding that occurred there during Hurricane Ivan, it is perhaps unlikely that that building will be certified up to a category 5 hurricane shelter. However, we believe, Madam Speaker, that there is an opportunity . . . For those who are familiar with the Civic Centre they will know that as you first enter the Bodden Town Civic Centre there is a small area that includes a second floor. During the renovation project the intention is to run that second floor through the entire civic centre so that we essentially double the square footage of the building without expanding the footprint of the building.

The building is going to be certainly built to very strong standards and I fully believe that it will, at the very minimum, be certified as a category 3 hurricane shelter. It will certainly, Madam Speaker, serve as a category 'B' shelter, and for those who may not be familiar with the purpose of a category 'B' shelter, let me explain quickly. A category 'B' shelter is used primarily after a hurricane has struck the Cayman Islands, and it is used to house individuals who have lost their homes as a result of the hurricane. So, that project will start soon, Madam Speaker, and based on the information that we have from the technical people we know that it will be ready in time for the peak of the hurricane season this year.

In addition to that, Madam Speaker, we are constructing a new civic centre and hurricane shelter on much higher ground in the district of Bodden Town where it will not be prone to flooding. Again, the project team is actively working on that and pursuing that project. We are certainly looking forward, Madam Speaker, to the day during this fiscal year, the one that we are now discussing in this Honourable House, when we will break ground for that project.

Additionally, Madam Speaker, the district of Bodden Town will see the erection of an emergency services centre which will include a fire station. As we know, Madam Speaker, the Bodden Town district is one of the fastest growing districts on the Island and it still does not have a fire station, which is an issue I spoke about in great detail during the 2005 political campaign.

Madam Speaker, the new emergency services centre will house the fire station, it will house a new police station and it will house other emergency services. We are in the process of working our way through that to determine exactly what additional agencies could be housed in this facility but 911, as

an example, is also a possibility because that unit is in urgent need of new facilities.

Madam Speaker, I want to thank the Minister of Communications, Works & Infrastructure for not only providing a budgetary provision for a new post office in Savannah but for ensuring that the project team is beginning to look at that in detail already in anticipation of the approval of this 2006-2007 Budget. Again, Madam Speaker, the fastest growing area of the Bodden Town district is the Savannah Newlands area, and hence the reason why the post office is going to be situated there.

The other project that will help not just the residents of Bodden Town, but the residents of Bodden Town, East End and North Side, is the commencement of the first phase of the east/west arterial which will run from Newlands into the Prospect area of George Town, and as I said, there is also included in the Budget a provision to commence that project. Madam Speaker, we know that the Newlands area is very rapidly expanding and there are hundreds, if not thousands, of vehicles coming out of Newlands every morning onto the main Shamrock Road, most of them heading into George Town and others onto West Bay Road.

Madam Speaker, the first phase of the east/west arterial will certainly provide much-needed relief to the residents of those three eastern districts, and we do believe that when that is completed the amount of congestion we see in the mornings now, particularly from the Lower Valley area into the Savannah area, will be significantly reduced. Again, I want to commend the Minister responsible for pursuing that on our behalf and on behalf of the country.

Madam Speaker, there is also provision in the Budget for a vehicle licensing unit for the eastern districts and we believe that it should be situated somewhere in the Bodden Town district. We have had discussions with the Honourable Minister responsible for Communications, Works & infrastructure on this subject, and we are looking at a number of locations. It is also possible that in the renovated Civic Centre we will have the opportunity to locate a small vehicle licensing unit to serve the eastern districts and to give the residents of the eastern districts the option of licensing and re-licensing their vehicles in the evenings and on weekends instead of having to deal with the matter during the week when they are also busy at work in central George Town and along the West Bay Road. So, Madam Speaker, we will continue to discuss that matter and we will ultimately determine in short order exactly where that unit should be situated. It will certainly do much, as I said, to serve the residents of the eastern districts.

Madam Speaker, the Royal Cayman Islands Police (RCIP) have received significant funding in the Budget for much-needed equipment and infrastructure, and in our political manifesto we announced that we will be creating a coast guard because we believe that if we did not secure our borders that it would be

much more difficult to successfully fight the war on drugs and criminal activity generally inside the country. We feel that because this country does not produce drugs, at least not in any large quantities, or firearms for that matter, they have to be imported into the country, and if we did not secure our borders everything else that we are doing in terms of tourism and financial services would be for naught.

The Royal Cayman Islands Police Service has received significant funding for that which includes not just the acquisition of the necessary vessels to create the coast guard (or a re-engineered and much enhanced police marine unit, if you would like to call it that), but they are also receiving funding to start the marine base facility to house the vessels and to make sure that we have a place to properly secure them. I am also pleased, Madam Speaker, to report that the marine base is also going to be located in the district of Bodden Town.

Madam Speaker, there were also comments from the Opposition across the Floor about the fact that just simply throwing money at the problem of crime and drugs was not going to solve the problems. Madam Speaker, we know that throwing money at it is not going to solve the problem in itself, but certainly not putting money behind the needed resources of the various law enforcement agencies is not going to help the situation either. We know that they need the equipment, they have needed it for years, and like many of the other infrastructural needs in the country their calls for help and assistance fell on deaf ears. Madam Speaker, I am pleased to report that that attitude and policy has changed and the Royal Cayman Islands Police Service have the full support of this Government.

Madam Speaker, the "Go East" project, as I mentioned during the district forum, also requires that the Government support small businesses in other areas. We know that there are opportunities for snorkeling tours and kayaking and other beach/sea types of activities, and we also know that a lot of the people in the eastern districts are not going to be in a position to acquire the necessary property from which to operate. So, Madam Speaker, the Government has also included funding in this fiscal year to acquire additional beach property in the eastern districts, and we believe that once we have a sufficient amount of beach property we would be able to then designate a certain area in each district for small commercial-type activities to support the small businesses that we are encouraging in the eastern districts.

Madam Speaker, associated with the acquisition of additional beach property is the development of a launching ramp in the district of Bodden Town, and there have been calls for a launching ramp in that district for many years. I want to say to the people of Bodden Town that under this administration they are going to receive a launching ramp. This time we are going to build it so that it goes all the way into the sea, Madam Speaker, and we are not going to repeat the

mistake of the two previous Ministers for Bodden Town who only built the launching ramp halfway down to the sea, thus making it totally useless. Madam Speaker, that is not the way we approach projects, and I can assure the people of Bodden Town again, that when the launching ramp is built this time by this Government it is going to be a proper launching ramp and one that they will be able to use.

Madam Speaker, I am also pleased to report that we are working with a church which will soon be establishing a presence in the Savannah area to provide additional hurricane shelter space for the residents of Savannah and Newlands. Once we have more information on that we will be reporting it to our constituents in the Bodden Town district.

Madam Speaker, the much talked about Savannah gully project, I want to say again to my colleague, the Minister of Communications, Works & Infrastructure that I am most grateful to him for the work that he has done on that project on our behalf over the course of the last year. I know, Madam Speaker, that what he has done over the course of the last year, while we do not see the tangible results on the ground yet I know that work that has been done behind the scenes is significantly more work than has been done on that project in the past eight years. It is a very technical situation, Madam Speaker, and it is not one which we will want to enter into without having the necessary expertise and advice as to the way forward. Again, Madam Speaker, we are moving on that as fast as we can, and again I can assure the residents of the Savannah and Newlands area that we will ultimately find a solution to mitigate the problem posed by the Savannah gully. We know too that there was some sand removed from that area recently, again without Government's permission, and that is most unfortunate. The Minister is working with the Director of Planning to mitigate the impact of what has occurred there.

Madam Speaker, I want to commend also the Leader of Government business for his project in Lower Valley, that is the Farmers' Market and the Agri-tourism Centre, which he is proposing to be located in the vicinity of the agriculture pavilion in Lower Valley. Madam Speaker, the project as I discussed with the Leader of Government business certainly fits very nicely into the "Go East" initiative and will compliment what we are doing with that initiative. I thank him most sincerely and I look forward to the continuing discussions which we will have with his Ministry, with the Department of Tourism and the other concerned agencies.

During the campaign we also mentioned to the residents of the Breakers area that we would look at establishing a postal kiosk in that area, and I have had discussions with the Minister of Communications on that, and we are going to see whether it will be possible to establish that during the course of the 2006-2007 financial year. However, if we are not able to do it during that year, Madam Speaker, we will most

certainly make provisions for it in the 2007-2008 financial year. In addition to those projects, Madam Speaker, there will certainly be additional district road projects undertaken, and I know that the Minister has made provision for that in the Budget. I also want to thank him for that. As we move around the district we will see and identify where the greatest needs are and we have already mentioned some of them to the Minister.

The Speaker: Honourable Minister, you have five minutes remaining.

Hon. Charles E. Clifford: Thank you, Madam Speaker. I suppose I need to move on.

Madam Speaker, I am going to move on now from the district projects and programmes, but I just want to quickly say that we are very pleased as a Government to be able to not only provide an additional \$2 million in the Budget to complete the recovery process but also that during the sitting of Finance Committee, which will follow the debate on this Budget, we will also be seeking approval of \$2 million in additional funding to continue the recovery work. Madam Speaker, it simply demonstrates the Government's understanding that there is still much work to be done in that regard. Madam Speaker, we are also very pleased as a Government to be able to increase by \$50 per month the funding that we provide to our seamen and our veterans.

So, Madam Speaker, there is a lot going on not just in terms of the districts but at the national level with the development of schools and other key infrastructural needs. Clearly, the Opposition is very concerned about all of those issues and what that is going to mean going forward, because it is going to have a very positive impact on the lives of the people of this country. Therefore, as a result, they believe that it is not going to put them in a good position going forward, hence their criticism of some areas of the Budget.

Madam Speaker, I did mention I was going to go into a couple of other areas, but I am going to skip over those quickly because, as you have indicated to me, my time is limited. However, I want to make reference quickly to the conclusion of the Throne Speech delivered by His Excellency the Governor on the final page when he said, and I will quote:

"Madam Speaker, Members of the Legislative Assembly, as I come to the close of my first Throne Speech, I wish to thank the many people throughout the Civil Service who played a part in preparing it. I also extend my appreciation to those who will work behind the scenes to implement the plans described today, including private citizens who participate in the work of the statutory boards and consultative groups."

Madam Speaker, I also want to add my thanks to those of the Governor's to the civil servants who will be responsible for implementing the policies

of this Government, and particularly I want to thank the staff in my Ministry, ably led by the acting Permanent Secretary, for all the hard work that they have put into preparing this budget and for the hard work that I know they will undertake for the implementation.

Madam Speaker, I just want to quickly go back to the article which I made reference to earlier, which appeared in the *Cayman Net News* on 14 April 2006 (the advertorial I should say) which was written by the Leader of the Opposition, entitled, "Hold on, help is on the way". I want to say quickly, Madam Speaker, that it certainly is not my intention or desire to respond to every temper fit that the Leader of the Opposition might have in the *Cayman Net News*; but there are some that require a response and this particular one in which he spoke in some detail and actually identified certain civil servants by names and alleged that they were being victimised by me. Madam Speaker, I know I need to respond to that because, can you imagine the Leader of the Opposition accusing me of victimisation? Madam Speaker, if he wanted to discuss the topic of victimisation he should have talked about the four Permanent Secretaries, the two Directors of Tourism, the Port Director and the many other senior civil servants that left office during his tenure as Minister. So, if he still has the desire to talk or write about victimisation, I want to encourage him to write about those individuals and to tell the country honestly what happened.

Madam Speaker, he is certainly aware that both the civil servants that he identified have been re-assigned by the Chief Secretary, so he should ask the Chief Secretary why that was done. He was certainly aware of that, but you know, Madam Speaker, history tells us that the Leader of the Opposition would certainly not understand that and it must be a foreign concept to him that they would be re-assigned. History also tells us that they would not have enjoyed such an option if he was still the Minister.

Madam Speaker, the Leader of the Opposition in the same article has questioned my integrity and I want to say that many people in this country have followed my career in government. I have been in the Ministry of tourism for the last nine years, but before that I spent 16½ years in the Royal Cayman Islands Police Service. No one has questioned my integrity before, Madam Speaker, and now the Leader of the Opposition is going to do so. Madam Speaker, I know as I said, many people have followed my career. They have talked to me about it; they know that I have been trained by the Federal Bureau of Investigation (FBI), by the Drug Enforcement Administration (DEA) and by Scotland Yard, Madam Speaker. They know my background; they know what I stand for, Madam Speaker. They know that I know a criminal when I see one.

Madam Speaker, when I resigned from the Cayman Islands Civil Service I explained the reason for my resignation in great detail, although I did not have to do it. I can tell you that I got hundreds of calls

after I resigned saying, 'We understand and we wondered when you were going to do that, and how long you were going to put up with that.' So, Madam Speaker, notwithstanding all of that and the fact that I know that people understood why I resigned from the Cayman Islands Civil Service, I nonetheless explained it in great detail and I do not propose to go over that again. However, what I do know, Madam Speaker, is that when the history books of this era of the Cayman Islands are written, they are going to record that prior to the 2005 General Election the UDP administration was taking this country down a very precarious road, one which was eliminating the middle class in this country, the class which is the acknowledged core of any progressive and democratic society. We do not have to look very far to see what that has done to some of our neighbours in this region, Madam Speaker, and we do not need to go down that road.

Madam Speaker, I believe that the history books are also going to record that I did the right thing, because I know that the Leader of the Opposition indirectly inferred in his contribution that as a result of me leaving the civil service he is where he is now. However, Madam Speaker, I can understand him being concerned about where he now sits—and it is unfortunate he is not in this House right now. I am also equally convinced that this country is safer now because of where he now sits. Madam Speaker, the Leader of the Opposition continues to brag about former politicians and about how he has put them in moth balls. I want to suggest to him, Madam Speaker, that he is in a transition phase and he is ultimately going to moth ball city.

The Speaker: Can I ask you to wind down your debate now, Sir?

Hon. Charles E. Clifford: Madam Speaker, as I said in the beginning of my contribution, the Opposition broke with well-established convention and the Second Elected Member for West Bay spoke first on behalf of the Opposition and indicated how strong the economy is, and how much we need the infrastructure projects that we have in the Budget. All of that was acknowledged and, rather paradoxically, he ended by saying that notwithstanding that he could not support the Budget, the Opposition could not support the Budget, which is what he said. He was followed by the Leader of the Opposition who talked about the economy going downhill and people leaving in droves and everything is out of whack. However, the Leader of the Opposition ended by saying notwithstanding that the Opposition was going to support the Budget. Now, as I said during the first part of my contribution, Madam Speaker, I would like for the real Leader of the Opposition to step forward and tell us what the position of the Opposition is on this Budget.

I thank you, Madam Speaker.

The Speaker: Does any other Member wish to speak? The Honourable Minister responsible for Works, Communications and Infrastructure.

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

Madam Speaker, as I rise to make my contribution to the Budget Address, the Throne Speech and the Policy Statement made by the Honourable Leader, the Honourable D. Kurt Tibbetts, entitled "Keys to our Future: Leadership, Compassion, Prudence and Vision", I am reminded of some years ago while being in this Honourable House as part of the Opposition.

I am reminded of some years ago while being in this Honourable House as part of the Opposition, and all in this country will know I had my say, but, I am reminded of when I was told at that time that if I had been on this side I would understand. Madam Speaker, I am glad that now under the new system of this country, where the Leader of the Opposition and the Leader of Government Business are now constitutionally recognised, and we have clearly defined who the Opposition really is and who the Government really is. I am also glad that the Members of the previous government are now on that side in the position of the Opposition, so that they too now know what we were going through and we now know exactly what it takes to run a government. One of the things I am surprised about is that the Leader of the Opposition seems to have learned very little having sat on this side. However, I will get back to that at a later stage in my contribution.

First I would like to congratulate the Members of the supporting Back Bench for Government. Unfortunately I was not in the Chambers during the debate contribution by the Third Elected Member for Bodden Town, but I did listen to it on the radio and, Madam Speaker, I am very proud to know that we have those as Back Bench supporters. Madam Speaker, these if I can call them "rookies" at this time (in 2000 that is exactly what I was) have made this country proud and I trust that this country feels the same way I do about the choices that they have made. These four newcomers to this Honourable House have done an admirable job in making their contribution to this 2006-2007 Throne Speech, Budget Address and Policy Statement.

Madam Speaker, I know many people in this country had some concerns, in particular about the Fourth Elected Member for George Town. Madam Speaker, I think they can stop worrying about whether or not he is a good representative of this country, and for that matter, the others; they have done themselves proud.

Madam Speaker, I propose to carry out my contribution by first addressing some of the things that the Opposition have put forward in their contribution, and then I am going to turn to the Ministry and my constituency, particularly, with that which has been done over the last year and what we hope to do in the coming year.

Madam Speaker, I took note when my good friend, The First Elected Member and good lady for Cayman Brac, was making her contribution. I heard her speak of the embracing Cayman Brac by the Leader of Government Business and his statement. Somehow she inferred that she was not completely convinced that it was really embracing as defined by the dictionary. Madam Speaker, I can say to my good friend that whatever embracing or fornication that the Leader of Government Business is conducting is something that is done by the entire Government because we are 100 per cent behind the Leader of Government Business in embracing Cayman Brac and Little Cayman, as I am sure other governments have done over the many years, but I will come to that a little later in the Budget part relating to my Ministry. However, in this case, Madam Speaker, we can see that he is not in this alone because I too have responsibilities within the constituency of Cayman Brac and Little Cayman therefore I too need to get my work done in that constituency.

Madam Speaker, I proved that recently with the two Honourable Members for Cayman Brac, when I had a difficulty with the Department of Environmental Health, I travelled to Cayman Brac and included both of them in the talks with the residents in that constituency because, Madam Speaker, the PPM Government stands for inclusiveness and that is what we have set out to do. We are unlike the previous administration that had me representing the district of East End from 2001 to 2005, during my tenure, as the Opposition, out in the wilderness, if I may be so bold. Madam Speaker, very little was done in my constituency during those periods. However, Madam Speaker, this Budget that was presented to this Honourable House on 28 April is an all-inclusive Budget.

Recently I spoke to a good friend of mine, an older gentleman from West Bay, and we were discussing the bypass. Madam Speaker, I said to the gentleman that if it was only the four elected Members in West Bay I would have cared less. If they had to buy a helicopter to get into George Town, that would have been fine by me. However, I do not represent them only, I (and by extension the PPM) represent this entire country. To that end, Madam Speaker, we have a responsibility to everyone in this country.

Madam Speaker, my good friend, the Third Elected Member for George Town, during the campaign, stressed the need for the safety net in this country in order that we catch all and sundry. This is a country that needs to be inclusive and the PPM is doing that. This Budget is not for the PPM only. The West Bay district is the one district that the PPM did not gain any seats in, but I have treated that district with no difference; I have treated them on equal with the rest of the districts in my short-term tenure as a Minister thus far period.

Madam Speaker, sometimes I really feel sorry for the district of Cayman Brac and Little Cayman, I really do because as I recall, the sports complex in

Cayman Brac was started during the now First Elected Member for Cayman Brac's tenure as a Minister, and in 2000 when that government lost the election and the now Leader of Government Business took over and your good self, Madam Speaker, there were plans to continue that complex. The unforgettable day of 8 November 2001 rolled around and the now Leader of the Opposition seized control of the country and, Madam Speaker, that same Member of this Honourable House, the Honourable Leader of the Opposition, became Leader of Government Business. He shut down the sports complex in Cayman Brac. It was he who did it! Madam Speaker, if he was interested in the wellbeing of the people of Cayman Brac and their children he would not have shut that sports complex down. We are now back and here is what I have to say, Madam Speaker: help has arrived for the people of Cayman Brac. We are now going to finish it!

Then, Madam Speaker, the now First Elected Member for Cayman Brac and Little Cayman was a part of that government, and even with all her efforts that same gentleman who was Leader of Government Business refused to provide the money—well, that is the only thing I can say, Madam Speaker. It had to be that he refused it because they did not, at that time, think it was worthy of the people of Cayman Brac, or the people of Cayman Brac were not worthy of it! We are coming here to do it and my good friend, the First Elected Member for Cayman Brac and Little Cayman, is saying that we, all of a sudden, are saying it is the best idea that has ever hit the airwaves. No, Madam Speaker, it was all along in the back of our minds that when we took government we were going to complete all that the UDP took no interest in. For instance, Madam Speaker, the power to study that your good self left a lot of money for, in the Ministry, when you were unceremoniously removed. All of that is being done now! The implementation of the youth policy!

Madam Speaker, the Opposition needs to be very careful what they say because if there is anything that I am gifted with it is a memory. They may be taking it a little too far because there are people on this side, including myself, who will remind them of their shortcomings. Likewise, Madam Speaker, the Leader of the Opposition (and unfortunately I was not here to hear what my good friend, the Second Elected Member for West Bay said in his debate either) talked about how we are going to destroy the businesses in our country because of the Immigration Law, and letters are being sent out to all businesses about their employees and they have to leave, and their last letters and final work permits. Madam Speaker, that is mismanagement by him because that is the reason why we took over this country and found it in the mess that it was in. He did not see any further than the bridge of his nose when it came to planning for a country.

The Speaker: Honourable Minister, is this a convenient point to take the morning break?

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

The Speaker: Proceedings will be suspended for 15 minutes.

Proceedings suspended at 11.27 am

Proceedings resumed at 11.52 am

The Speaker: Please be seated. Proceedings are resumed.

The Honourable Minister of Works, Communications & Infrastructure continuing his debate.

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

Madam Speaker, when we took the break I was discussing the issue of whether or not the Government had completed certain projects and we were now going to complete those projects, because certainly, not everything that one government does is not valuable; it is all in the interest of the country. We may have to change it up a little bit, but that is certainly what can or should be expected by the next government.

Madam Speaker, there are many things that the past government did not do that the PPM Government has set out to do, and that shows that we are not of the same mindset as the current Leader of the Opposition. I recall when they took office in 1992, the first thing they did was to call a commission of inquiry into the Dr. Horter Memorial Hospital and stopped it, laid by that same gentleman. Madam Speaker, he talks about the good he has done for this country. 'Woe be unto us' if we were to write down all that he has done bad for this country, too!

Madam Speaker, this Budget that the PPM has proposed, which is currently laid before this Honourable House, shows this country that they made the right choice in removing the UDP Government from the helms of this country. As I said before, it is an all-inclusive Budget. What I and this country can say unconditionally, is that the weight has been lifted off this country since the PPM has taken office and we, the PPM Government, are managing this country and its resources the way they should be managed.

Madam Speaker, I noted in yesterday's *Cayman Net News* that the editorial spoke of "The politically independent voice" and in conclusion the editor says, "**Thankfully, because of his quiet strength** [speaking of the Second Elected Member for Cayman Brac and Little Cayman], **it remains to be seen whether Mr Kirkconnell will join one of the parties before the next election, as many expect him to do.**" Ha! Ha! I have news for the editor of the *Cayman Net News*. Mr. Kirkconnell is a signed-up member of the PPM because he has seen the light and he knows exactly what is in the best interest of this country.

Madam Speaker, when the Second Elected Member for Cayman Brac and Little Cayman, the

Third Elected Member for Bodden Town, the Third and Fourth Elected Members for George Town suggest things outside of the box in this Honourable Chamber, they are encouraged to do that because, like the editor talks about, maybe one day they will take over as government, that is exactly what we expect them to do. They are going to take over this country. That is called succession planning, Madam Speaker. We expose them to everything and ensure, Madam Speaker, that they have minds of their own.

[Laughter and inaudible comments]

Madam Speaker, they have the right to speak as individuals. There are no siamese twins in the Government, but, collectively, we work towards the betterment of this country. So, for all those naysayers out there, including the Opposition, this is not the UDP Government where we had five governments. There is one leader and one leader only. Madam Speaker, we understand what our country has been going through and we are here to fix it. Help is on the way! Of course it is! It has arrived! There is more to be seen, especially by the leaders of the Opposition.

We need to come to the point where the Opposition understands that they cannot just oppose for Opposition's sake. We have a very vibrant government in place and each day we amaze those who believe that is not so. Madam Speaker, one of the most important legacies that any government can bequeath to the next generation is sound management of the country's financial resources, and this Budget says that. For all and sundry we only need to look at it.

Madam Speaker, the Opposition and their pundits tried to anticipate this same Budget and, in particular, the revenue measures. They tried to scare the people into believing that we were going to tax the little man on things such as car licensing and food stock. Madam Speaker, even they are now saying that they will support the Budget. I am very thankful to them.

I would like now to turn to a few things regarding the revenue measures that have been coming out in the press and, in particular, Madam Speaker, individuals who are Members of societies and societies in this country such as Cayman Islands Real Estate Brokers Association (CIREBA). Madam Speaker, yes, the papers reported that they had taken part in the consultation process and they were not pleased that the Government had not followed their advice. Yes, Madam Speaker, the Cayman Islands Real Estate Brokers Association proposed .5 per cent additional on to the stamp duty fees and we did something a little different; we increased it beyond that. It is interesting to see how this has split CIREBA. Some persons, such as Mrs. Conolly, are supporting the increases. Madam Speaker, with your permission I would like to quote from Tuesday, 9 May 2006 Caymanian Compass, where on the front page it says: "Some Businesses Agree With Fees". The paper has

quoted Mrs. Conolly as saying, **"These changes were not unexpected now that the Cayman Islands have mostly recovered from Ivan. They are moderate enough that they will not deter those buyers who are interested in West Bay Road and George Town properties, and a one per cent increase for the rest of the Island is also acceptable to a large majority of potential buyers."**

Madam Speaker, the paper goes on further to say: **"The fees had to rise again at some point, says Steve Hawley, President of the Cayman Contractors Association. He believes that the way the fees have been applied is quite creative."**

Actually, the timing is excellent. Cayman is rolling into a building boom and, if a few projects are cancelled as a result of the fee increase, there will still be considerable development that will continue forward. It's a wise move to raise rates at a time of economic growth."

Madam Speaker, you see, not only the PPM is thinking in the right direction. However, I need to pose a couple of questions to CIREBA. In 2001 the government rightly ran to the aid of its country and reduced the fees to stimulate the economy when we had a world crisis. It was reduced from 9 per cent to 5 per cent. That is what the government is for, to stimulate our economy to be able to maintain the same standard of living that we have always enjoyed. Madam Speaker, I am yet to hear how much the brokers took off of their commission. That is what it is about! They did not take off anything as far as I understand, and I am subject to correction on that, and maybe the Leader of the Opposition can tell us because he has a real estate agency.

Madam Speaker, now that we are in an economic boom it is the time to bring it back up. Madam Speaker, at the very least we did not take it back up to 9 per cent, we only took it up to 7½ per cent. You know, Madam Speaker, CIREBA Members are not against that because they are now proposing that we should have brought it up to 6 per cent and then six months later bring it up to the 7½ per cent. They are also, Madam Speaker, posing a question about discrimination between Caymanians and expats, such as, never before has there been a different rate of tax applied to Caymanians and non-Caymanians.

Madam Speaker, I believe during my tenure in here I have said before that it is all about discrimination. That is what it is about! I would like the membership of CIREBA to show me one country in this whole wide world where the residents are not treated different from those who are coming to the shores, to ensure that the residents are protected and are given a fair shot and a fair chance to get benefits from the development. We have heard that over and over. Who are we developing for, Madam Speaker?

Well, Madam Speaker, I believe because we have reduced the stamp duty for Caymanians that it is the best thing since real estate came around here. We have to ensure that our people are given the opportu-

nity to advance themselves. Madam Speaker, along the West Bay peninsula (if I may be so bold) there are not many Caymanians buying along there, and those who will go to buy there can certainly afford 7½ per cent. However, Madam Speaker, I would just like to offer another thought]to CIREBA, and that is: any person coming here and buying along the West Bay Road beach, I am sure they will agree with me, has a lot of disposable income because apartments along there now are going for \$1 million and above; up to \$15 million; \$13 million I believe, the Ritz-Carlton is being sold for.

Madam Speaker, I am not an accountant or a mathematician, but someone has to sit down and calculate over the life of that investment in a home (which is usually expected to be 25 years), compare the 7½ per cent, a one-off, one-time fee, to what those same people would have paid in their countries in land taxes. Someone needs to do that and then tell me whether or not we are running away investors. By their own admission, Madam Speaker, they are saying that the economy is very buoyant at this time. What would they have the Government do whenever the economy comes to a grinding halt because, Madam Speaker, this is always one cycle, every few years that happens. So, if we leave it at 5 per cent, where would we be going then, to zero? No, Madam Speaker! I respect that these people have a right to say what they—and have concerns, but this time I must tell them that we could not follow their advice. Their concerns about this increase, I believe, are, by and large, unwarranted.

Madam Speaker, they also had concerns about us creating a two-tier stamp duty for first-time Caymanian homeowners, and they are suggesting in a sarcastic manner, *'Why do we not just do away with stamp duties for Caymanians?'* Madam Speaker, Caymanians are proud people too and they want to pay into the coffers of this country to ensure that the services that they require are provided. However, there are many Caymanians, Madam Speaker, who we need to help to get to that point, and that is the purpose of this. I want them to know that this is not about only indigenous Caymanians, it is about us all. The PPM is an all-inclusive Government. Madam Speaker, this is not about me and your good self who grew up in North Side and East End; this is about whoever becomes Caymanian. This is what we are all about! This is a country policy, contrary to what the Leader of the Opposition has said, that we were going to remove every Caymanian who was granted Caymanian status. We cannot, Madam Speaker! They are a part of us, and now they must share in our highs and in our lows. This is us!

I encourage all those, particularly those in CIREBA and other organisations, to embrace this country and assist with it. What are we to do, create two societies in this country, the poor and the rich? That is not what any country is about. Madam Speaker, our objective is to give all Caymanians the opportunity to

succeed. If the members of CIREBA have to pay a little more in their contribution towards making Caymanians get a little better by reducing some of their commission, then, Madam Speaker, I believe that they must come and let us move this country forward like we did and our forefathers did, together. This is what this is about. This is not about going out and doing sensational headlines.

Madam Speaker, I welcome them. We have welcomed them on-board, and I personally extend a warm welcome to anyone to this country. However, I again, warn this country of many years ago when I heard Mr. Warren Conolly saying over the radio *'Cayman is not for everyone'*.

Madam Speaker, I find it quite amazing that the Opposition can support the Budget, but they criticise it in the same breath. There is much to be done in this country, and if I may, I would borrow a few words from the Leader of Government Business when he said, **"The Budget now before this honourable House lays a sure foundation for the future of these Islands. It is courageous, compassionate, prudent and visionary."**

The Speaker: Could you give me the page in the Policy Statement, please?

Hon. V. Arden McLean: Yes, page four, Madam Speaker.

Madam Speaker, he went on to say that the Budget is **"courageous because it proposes capital expenditure of CI\$130M, the largest capital budget of any government in the history of the Cayman Islands."** However, Madam Speaker, very importantly, while doing that, it is being done in a most sound, management way of the resources of this country. On page three the Leader of Government Business said also, **"There are those who say that the high ideals to which this government is committed are all well and good but that what really matters in the end is results."** Madam Speaker, like him I too agree. We can see the results of what the PPM Government is doing, particularly over the last year.

I now turn to some of the areas that my Ministry has been doing over the last year and what it intends to address in the coming year. Madam Speaker, the results are there for everyone to see. We know, Madam Speaker, we cannot get everything done when we would like it to be done, but I am confident that this country will exercise the patience necessary to give us the opportunity to get these projects completed because it is certainly in everyone's best interest.

One thing I am proud of is being among individuals that I am amongst in running this country. Madam Speaker, I am extremely proud because each day I walk into my office and each Tuesday I walk into Cabinet, knowing that I am sitting among honest people. Each Monday we have caucus with our Back

Bench supporters and, Madam Speaker, everyone's interest is for this country. They are honest as the day is long, Madam Speaker. I could not work with anyone else if they were not honest; I would prefer to go home.

Madam Speaker, please allow me to turn to some of the areas that we have been doing since taking office, and I think maybe I should start with the roads.

When we took office I took to my colleagues the proposal to accelerate the building of roads in this country to relieve our people of the traffic woes that they were experiencing, and there were two hot spots in this country: one on West Bay Road and one in the eastern end. I recognised very early that we could not do both of those projects simultaneously. We had to make a choice, and that choice was to go to West Bay Road because we have traffic on that road at least 14 hours out of the day where we have bumper-to-bumper traffic on West Bay Road. Madam Speaker, we came to this Honourable House and got additional funds to do that. I also recognise that the good people of my district, your constituency, Madam Speaker, and the Members for Bodden Town were also experiencing, and continue to experience, traffic woes, particularly in the morning. Madam Speaker, my colleagues supported my proposal to commence the east/west arterial from Savannah down to Prospect as soon as the West Bay bypass is completed.

I made a statement in this Honourable House in replying to the Leader of Opposition's accusations a few days ago, and by 30 June I expect that the road will be to a point where we can use it to transport our people out of West Bay. I am hoping, Madam Speaker, that the east/west arterial will be started within the month following the completion of the bypass on West Bay Road to the point where I just said.

We estimate that there are between 8-10,000 vehicles between Savannah and Prospect, and they inevitably are going to hit those roads in the morning. If we can take those vehicles off the main road, then it will alleviate the traffic for those people who are furthest away such as North Side, East End, Bodden Town and Breakers because, Madam Speaker, it hurts me to know that so many people tell me that they have to wake up and leave East End by 5:30, 6:00 in the morning to be able to get into George Town to their work.

Madam Speaker, if I do nothing else in my four-year tenure as a Minister, I am going to relieve that! With the help of my colleagues, Madam Speaker, we are going to relieve it! Anytime I make this country a promise, Madam Speaker, I do it. Those two major roads, in particular, will be fixed, and I stand before this country today and give that promise, and I will do it with the help of my colleagues before this tenure is over.

Madam Speaker, moving on further on roads, this Budget has \$13,650,000 for road and related works in this country for this year, and by God,

Madam Speaker, we are going to spend that money in the interest of this country. As I came into this Honourable House and became a Minister, took over constitutional responsibilities for the National Roads Authority (NRA), immediately I instructed them to start purchasing our own paving equipment. I know, Madam Speaker, there are a number of people who want us to privatise that. No, no, no, no, we are not privatising that because it is going to cost the country that much more money. That is not going to happen. Madam Speaker, I will not tell you that I will not propose certain projects to be privatised. Of course, that is the nature of building roads such as, the Shedden Road which started on Monday night. We are not doing that because we do not have our paving equipment, but eventually it is expected to be here, before the end of this fiscal year, and we have much to do, Madam Speaker.

The previous government talks about what they have done. You know what they left me? A legacy of debt! That is what they did. They gazetted every road in this country, built little pieces of roads and did not pay for one piece of land. That is what they did for me; that is what they did for this country. That is what I had to take over to manage for my country. Sometimes it makes me feel like I want to cry. The kind of destruction that they have brought, they were bringing to my country, but we are going to leave them out there in those couches for a long time, whether they be 'potatoes' or 'potatee', I do not know. They are not coming back here! Today, Madam Speaker, I say to my country and my people, it does not have to be the PPM, but make sure that it is not them. Find someone else! Do not make them come back over here because 'woe be unto' our country if they come back over here.

Madam Speaker, I have had to come to this Honourable House after budgeting \$1 million for gazetted claims in the last budget to get another \$2.5 million just to get me through this current year. I am now budgeting \$3 million, Madam Speaker because it is yet unknown what we will have to pay in compensation for roads. Yet the Leader of the Opposition can get up in this Honourable House and go to the newspapers and talk about how much money he has left there, he better start talking about the debt he has left there; that is what he needs to do. You know, Madam Speaker, what really surprises me is that he can stand here and mete out his accusations and his political rhetoric and we are required to sit here and listen to it, and when we get up here to respond to him, he goes on his boat fishing, looking for ocean turbot. No, Madam Speaker, he was the same Leader of Government Business during my time as the Opposition who stood here and told us that we have a job to do as the Opposition. Now, Madam Speaker, it is time he respects that. It is time he understands that. He does not understand the role of the Leader of Opposition.

Madam Speaker, there are democratically established norms that the position of Leader of the Op-

position must respect because, in effect, Madam Speaker that position is leader in waiting, the same way the Leader of Government Business now was over there. However, Madam Speaker, we know that he was the Leader of Government Business too, the current Leader of the Opposition, and he showed what he was capable of doing then. Those over on that side should remove him from Leader of Opposition. It is time for a change over there now. The Second Elected Member for West Bay can deal with it.

The Speaker: Honourable Minister, unless you have facts that the Leader of the Opposition is out fishing, I would rather that you not say that this is so. If you are saying that he is absent from the Chamber I understand, but unless you have facts that the Leader is out fishing please withdraw them.

Hon. V. Arden McLean: Madam Speaker, I do apologise but it bothers me, and I do not have any facts so I can withdraw that, but he is likely to be, Madam Speaker!

[Laughter]

Hon. V. Arden McLean: That is one of the choices that we have to say where he is at, but, Madam Speaker, I do not have any facts.

The Speaker: Honourable Minister, you are then saying that he is absent from the Chamber, not that he is out fishing?

Hon. V. Arden McLean: Yes, Madam Speaker.

The Speaker: Thank you.

Hon. V. Arden McLean: I do apologise, Madam Speaker. He may be on official business.

The Speaker: Thank you.

Hon. V. Arden McLean: However, that is highly unlikely.

Madam Speaker, on the same highway that we are spending some \$10 million on this year, we have in this upcoming Budget \$2.4 million to have it completed, the same road that he continues to ridicule in the paper. Madam Speaker, my people in East End and yours in North Side are suffering while we go to West Bay and try to support his people, and he is ridiculing this Government. Mind you, Madam Speaker, I must admit the other three Members are not doing that, but this Leader of the Opposition is and it is his constituency. Here I am getting another \$2.4 million in the Budget to complete that road. Madam Speaker, does that not show that we are doing what is in the best interest of our country? Of course that is what it shows, Madam Speaker. It matters not where they are from, we are all one people.

Madam Speaker, under this Budget we have \$4.85 million for road works in Grand Cayman as Executive Assets, and then we have another \$4 in Equity Investments. Much work needs to be done. Right now the National Roads Authority (NRA) is in West Bay repairing all the roads that I visited with the four duly elected Members for West Bay earlier on in this fiscal year. They are now completing the paving of those roads, and it is expected that they will move to your constituency within a very short time for the roads that we have to repair there, Madam Speaker. I am not doing the Opposition like they did me while they were in government and had me out in the Mojave Desert looking for a drink of water. That is not my job! My job is first to the people of East End and then to this country, and if we all think of it like that then, Madam Speaker, this country will be better off. That is what my colleagues, the PPM think. This is PPM! This is a whole new era of politics in this country. We must stop the victimisation. There will be none of that on this side. These are our people and we must embrace them, and in the meaning of embracing we embrace everybody, including the First Elected Member for Cayman Brac and Little Cayman.

Madam Speaker, in this Budget we also have \$1 million for the construction of the sea wall in East End because the coastline is extremely exposed there and we need to get this done. I recall going into East End the day after the storm, Madam Speaker, on a loader and I had to build a road back to be able to get to see the people of East End, right within the district. Now it is time to put the wall up. We have built another wall in East End during the last year.

We have \$2 million to start the east/west arterial road from Newlands down. We know that is not going to be enough money, but the people on the eastern end must not lose faith. I have made them a promise and my colleagues have supported that. We are going to build it. Right now, with no unforeseen difficulties, it will be built and it will be done as fast as the one in West Bay that the Third Elected Member for West Bay has praised me about. He understands, Madam Speaker, and he is very appreciative of what we are doing along West Bay Road. He and the Second Elected Member and the Fourth Elected Member as well, they are all appreciative, but the Leader of the Opposition has to have something to open his mouth about.

Madam Speaker, there are a number of roads within the districts that need paving. There is another \$4.1 million for development, paving and maintenance of roads. I am soon going to take a policy decision to Cabinet to have all the main side roads paved and then the sub-side roads will be chipped. Madam Speaker, can you imagine, if the roads that we drive on now are lasting us 15 years and if we pave the others, over time they will last us 30 to 40 years. Do you know the savings that is going to be for this country instead of chip and spraying these roads every three or so years? Madam Speaker, there is much to

be done. Thank God for strength and wisdom, the get-up-and-go, and with the help of the people of this country I am going to do it. That is what I have done all my life. We are here, Madam Speaker. The PPM is here! There is no "on the way" any longer.

Madam Speaker, there is also \$400,000 in this Budget for the Bodden Town Beach acquisition that the Minister of Tourism spoke of earlier, but I do not want to really leave out others within this. I will now turn to the Department of Environmental Health, but before I go on I know the Minister of Tourism spoke about the gully in Savannah. Again, we made the people of this country a promise that we were going to address it. We have employed the engineers and they are currently working on a solution for it. Every Member for Bodden Town for the last 10, 15, 20 years has promised to do something about it. I cannot promise the people of Savannah or this country that we can do anything to prevent a hurricane of the magnitude of Hurricane Ivan, in order to prevent that from coming, but every time we have a little bad weather . . . Mitch went 200 miles south of us and it forced the country into a chokehold because of that gully. That is what my objective is, Madam Speaker, and I explained that to the engineers, to stop that kind of intrusion within that area and we are going to do it.

The papers reported that I was absolutely surprised right after Easter when I saw all the sand removed. Madam Speaker, I almost had a heart attack, I almost choked up after your good self called me and insisted that I go there. Then, Mr. Lindberg Eden and all the Ministers called me as well, and the Leader was off-island, but I live in the area. When I got there, Madam Speaker, I was really surprised. What I can say to the individual who moved that sand, while it is the Planning Authority that is dealing with it, I would advise him to put it back, because neither he nor myself has any engineering degree in structural or storm management that we can claim to be able to decide whether the sand is needed there or not. Put it back! It is not his! This is public open space registered under Savannah Acres. Madam Speaker, if anyone should hear anyone saying that the residents gave permission to have it removed, I live in that area and I did not give any. Not me! Madam Speaker, leave the engineers to come up with the solution. I might as well announce right now that we are going to have a meeting in Savannah to talk to the older heads in Savannah so that the engineers can get a better understanding of what happens when the water comes through there from over the many years. That needs to be conducted because it is not only scientific data that we need, we need good hearsay and good common-sense knowledge to be able to come up with good scientific solutions.

Madam Speaker, if I may now turn to the Department of Environmental Health. Now, we have forever had our problems in this country with that. I am working—as a matter of fact, I missed the recommendation of the Legislative Assembly on Wednes-

day because I was in Tampa at the North American Waste to Energy Conference to see what is possible with our waste. No decision has yet been made, Madam Speaker. We have a lot of proposals, but, that is another promise. We are going to do something with that one, too! That has to be addressed!. We have had a number of proposals and we are looking at them all. We have a new solid waste manager in place who is a very brilliant, very capable, very experienced young man and we are working very closely with him to see what we need to do. As a matter of fact, Madam Speaker, in June I will be going to look at a few plants—composting, waste to energy—just to see if that is what this country needs. I am going to address it. It might not be within the middle of the tenure, but within 18 months I promise this country I am going to have a solution for it. That is a promise and I am going to work towards that, Madam Speaker. No, the Opposition will not stop me from doing this one. Madam Speaker, those other ones out there, they will support it, but not the Leader of Opposition.

In this Budget there is \$1.426 or thereabouts for equity injection into the Department of Environmental Health. Madam Speaker, there are a number of issues and we are still recovering from Hurricane Ivan.

I have a responsibility that I spoke of earlier within the constituency of Cayman Brac and Little Cayman, and that is the management of solid waste on those two Islands. It is the humble submission of mine and the engineers that it is still at a manageable state, but we need to address it now. Therefore, Madam Speaker, there are a number of things in this Budget to try and arrest and deal with it now so that it does not get to the point where the Grand Cayman dump (it is not a landfill, it is a dump) has reached. For instance, right in Cayman Brac we use a rubber tire loader to push off the garbage. Every couple of days it has a flat and it is down for three days and garbage piles up. That is unnecessary and unheard of. Madam Speaker, I have proposed over \$300,000 to get a brand new bulldozer to do that with, a D5 or D6 Bulldozer. Madam Speaker, I have proposed \$160,000 for development and equipment for Little Cayman. At this time everything there is being burned, and if we are going to burn it we might as well separate some of it and use an Air Curtain Incinerator and burn up that which is burnable. We need to get fill to cover in those two Islands.

Madam Speaker, we have, in this Budget, monies for studies on Grand Cayman, Cayman Brac and Little Cayman. We need to start doing what we are going to do with the land that was purchased years ago for the landfill in order that when we start excavating it we can use that for fill to cover the land fill. We need to do that and we need to start soon.

The trucks in Cayman Brac and the containers look like they are from the dinosaur age. I have proposed a new rear-loading garbage truck for Cayman Brac and a grabber truck for Cayman Brac as

well, in order that we can employ more containers. The grabber truck will unload it and take it out to the dump. Madam Speaker, we believe that there have been a number of trespassers on the garbage dump who are up to mischief, and I want to put flood lights around it and facilitate working at nights on the dump. We need to upgrade the incinerator on Cayman Brac like we have just done here on Grand Cayman and we now have an incinerator.

You see, Madam Speaker, when the Leader of Opposition talks about what he has done it amazes me because each day I find more. Why did he not see to it, or the UDP Government, that the incinerator at the land fill after the hurricane was working to ensure public safety? Madam Speaker, I had to do all of that, but that is what the country hired me to do. He must not stand over there and criticise because I will remind him of his shortcomings when no one else will! I will! He has a right to remind me of mine as well.

Madam Speaker, there is a loader for Little Cayman as well, for the Hopper we intend to buy. Some of the things that maybe I need to announce here and there is much more; there is a bailer for aluminium cans, radios for land fill, fencing of the land fill in Grand Cayman and the reorganisation of the land fill whereby, and I said this before, if we reorganise the land fill we have another ten years out that. However, I am not going to sit on my laurels because that is the case. We need to come up with an alternative solution to the disposal of solid waste, and that is my objective.

Madam Speaker, much in this country has taken advantage of the Government which results in the Government having to raise monies to pay for the services. Madam Speaker, I speak specifically of the collection of garbage fees. Many have voiced a position that the garbage should be privatised. Trust me, Madam Speaker, they do not want to be in that business because there is no collection of the garbage fees. Therefore, Government needs to get the same money that CIREBA is talking about, to be able to ensure that the public is safe. It is about keeping this country clean and healthy. We cannot leave the garbage there. Unfortunately, the nature of the business does not allow us to do that, Madam Speaker. However, what we can do is find an alternate way of collecting those fees and that, I am looking at too. We have to find some way for people to pay their dues to ensure that we are a consuming country, to ensure that whatever waste you create you pay to have it disposed of.

Madam Speaker, one of the things we do not even realise in this country is that our dump, as far as I understand, was built primarily for the disposal of waste, which is what they are all built for. However, we charge the country for disposal of their waste, what we pick up at one's home, but then every truck comes in with all kinds of waste and they pay nothing, absolutely nothing and the dump gets higher, *'Mount Trashmore'* gets higher and higher. Then we all com-

plain but we are not contributing to it. Madam Speaker, in my time I will stop that one. We are all going to have to pay for our mess. If we create it, then we should have to pay, but we do not want to put that on the public in such a manner that it adversely affects their way of life, Madam Speaker.

There are a number of proposals. There are a number of ways that are possible. For instance, put a cost on it at the point of entry, put tipping fees at the dump because there is a scale that you can weigh and charge by. So, Madam Speaker, it is something we have to do and I will soon come up with a proposal. I am sure it is not going to be liked by everybody, but the future of this country is at stake when it comes to safety and we need to do it.

Madam Speaker, we continue to bring all types of goods to this country and we all just throw them in one bag and send them to the dump. There is another thing we need to do which is soon going to happen, and that is the education on recycling and separation. We need to do it. Madam Speaker, what surprises me is that a number of people in this country have asked me when we are going to start it. Madam Speaker, we need to start it; the cans in one bag and the bottles, and what have you. It is very important that we start that promptly.

The Speaker: Honourable Minister, I will take the luncheon break at this time. Proceedings will be suspended until 2.15.

Proceedings suspended at 12:56 pm

Proceedings resumed at 2:25 pm

The Speaker: Proceedings are resumed. Before I call on the Honourable Minister to continue his debate I would like to apologise for the late resumption, but it was necessary to have an executive meeting of the Commonwealth Parliamentary Association to be able to reply to some urgent correspondence.

Honourable Minister responsible for Works, Communications and Infrastructure.

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

Madam Speaker, when we took the lunch adjournment I was discussing the equity injections of the Ministry, and was dealing with the Department of Environmental Health. Madam Speaker, I believe, by and large, I had completed that and I would now like to go on to the Department of Vehicle and Equipment Supplies.

Madam Speaker, the Department of Vehicle and Equipment Supplies continues to support the Government vehicle services, and while this year we are not injecting that much money in there, it certainly is in the interest of all to know that we need to bring that Department to the point where it is only through that Department that Government will purchase and maintain their vehicles.

The Speaker: Honourable Minister, I would just like to inform you, sorry, that you have 39 minutes remaining in your debate, and I know you have several sections of your Ministry that you would like to touch on.

Hon. V. Arden McLean: Thank you, Madam Speaker, and now that I know that I might as well move on to another section, and that is an area I promised the country we would do, which is to create a unit to take care of our parks, cemeteries, beaches, ramps and the likes.

Madam Speaker, there is an equity injection of over \$800,000 to purchase equipment to set up that unit, a unit that will be operated under the auspices of a town manager, which I have also promised that we would be doing. This unit will take responsibility for all of our parks in order that our people in this country will enjoy a more pleasant environment around these parks and ensure that they are maintained properly and the development on our parks are monitored properly also. We are in the process now of looking at the transfer of those people who are currently doing that, and through that process we are going to do be doing that. Certainly, Madam Speaker, we have much to do in that arena because the parks in this country are not conducive with pleasant recreation, and my goal is to ensure that the country has some place pleasant to have their recreation, the beaches and the likes.

Madam Speaker, under the Postal Department we are budgeting to have a post office in Savannah. For too long the post office in Savannah has been outstanding, and sometimes I wonder how the workers in the post office get to change their minds without going outside of that building. We need to develop a post office in the Savannah district.

We continue to look very critically and support Radio Cayman. Radio Cayman has a number of things that need to be done to it. I would like to pause here and congratulate Mr. Banks on his retirement, which took place earlier this year. Currently, Ms. McField is the Acting Director of Radio Cayman. I am hoping, Madam Speaker, that in the not too distant future we will be able to broadcast the Legislative Assembly live. We were supposed to start that recently, but, unfortunately, some glitches prevented us from doing it. I know the Opposition supports that as well, particularly my good friend the Lady Member for Cayman Brac and Little Cayman. So, Madam Speaker, we can expect that in the coming future.

One of the areas that I think I really need to talk about also, is that of the Vehicle Licensing Department. Madam Speaker, while much complaint has been levelled against this department over the last few months and over the last year, they have made great strides putting in new customer service systems, and I am extremely thankful for that. They are also now looking at developing the new driver's system,

doing an upgrade to the system to accommodate the new driver's licence at all the offices.

Madam Speaker, the Minister of Tourism spoke of a satellite office in the eastern districts. I recently received a study on that which I commissioned shortly after taking up office, and there are some proposals that we have to look back at. During the last year I brought to this Honourable House amendments to the traffic law to streamline the Vehicle Licensing Department, and they should be in place momentarily.

Madam Speaker, there are other areas that we need to amend in that law in the upcoming year. Sometimes we hear so much of the amounts of fatalities on our roads, in particular, in the last few months. We have to do something to deter the speeding on these roads, and I can tell the country right now, Madam Speaker, that they can expect an increase in speeding fines. That is not taking anything away from the poor man. If you do not exceed the speed limit, you will not be paying the fines.

Madam Speaker, the wearing of seatbelts needs to be enforced in this country, and it is going to become a ticket-able offence. We have to do it to protect the people on these streets. Those who are not wearing seat belts and those who would have it that they are driving at excessive speeds and endangering people will pay the price. However, Madam Speaker, I trust that they do not think that it will now be indefinitely that they continue to pay fines. We are looking at developing a point-system in this country where your licence will be revoked within a particular period of time. I know the Road Advisory Committee has also announced that they were making proposals. I am yet to see those proposals, but prior to that the Commissioner and I have had meetings on that area and we are certainly looking at it very seriously. As a matter of fact, Madam Speaker, the Drafting Department is looking at increasing fines and the non-compliance of the seatbelt provision.

There is so much to discuss but time does not permit. However, I know I have to address some of the issues within my constituency. I believe the Third Elected Member for George Town termed the eastern districts as "the new Mecca for tourism" and I support that. I support her position on it. It could not have been said better. Madam Speaker, I look forward to continuing working along with the developers of the Mandarin Oriental Hotel. I look forward to the groundbreaking of that hotel on the eastern end of the Island.

I would like to thank the Minister of Tourism for proposing the "Go East" initiative. Madam Speaker, I would encourage my constituents to embrace the "Go East" initiative because there is much for us to gain from encouraging tourism in that direction. Your constituency, Madam Speaker, and mine have for many years been left out of the tourism product and like the Third Elected Member for George Town has said, that is where the real Caymanians rubber meets the road – Bodden Town, East End, North Side. That is not to say that the Caymanian cul-

ture is not elsewhere, but certainly, Madam Speaker, it is not as diluted in the eastern districts as it would be elsewhere. However, Madam Speaker, I must include Cayman Brac and Little Cayman. They are still very much part of the Caymanian experience. I look forward to the initiative by the Honourable Minister of Tourism and I am committed to doing whatever I can to assist in that regard.

Madam Speaker, I know Hurricane Ivan sometimes is a distant memory to most of us, but to my constituency it is not. It will forever be etched in their minds and I know mine as well. In that regard, Madam Speaker, I believe that almost two years on it is time we finish the recovery process, and the Government, under the direction of the most Honourable D. Kurt Tibbetts, is moving—

The Speaker: Honourable Leader of Government Business, please, not D. Kurt Tibbetts.

Hon. V. Arden McLean: Thank you, Madam Speaker. The Leader of Government Business is moving towards a further injection before the fiscal year end to continue this recovery process. Madam Speaker, I believe the people of East End have been extremely fortunate. We have been a little delayed in completing the overall recovery, but when we think of it, the whole recovery process must have taken thus far in the region of \$7-\$8 million, and the Government thus far has only injected \$150,000, and another \$500,000 will be forthcoming to complete the whole process.

Madam Speaker, I stand here today and thank Mrs. Susan Olde again. Madam Speaker, she was just awarded an Order of the British Empire (OBE) and let me tell you, she is very befitting of that award. No individual, that I am aware of, has contributed so much to the betterment of the individuals of this country than Ms. Olde. I must also pay tribute to Reverend Graham Thompson, who actually is the Director of the IAMCO. Madam Speaker, Ms. Olde and Mr. Thomson have integrated into the society and they understand their responsibilities to the people of this country. This country, and in particular the people of East End, will forever be indebted to Ms. Olde, and no matter what award she gets, this country will never be able to repay her. More importantly, Madam Speaker, she continues to contribute to the wellbeing of the people of this country financially and otherwise because the learning centre in East End that was destroyed during Hurricane Ivan, she gave a commitment, the day after the storm, that whenever we reach the point to rebuild it she will be rebuilding it. That is on the horizon, too, Madam Speaker. I am just waiting for the plans to go through the Planning Department for the district of East End. Madam Speaker, again I will forever be indebted to this lady.

I believe we have some 35 homes left in East End to repair or completely rebuild. I believe we have 12 homes to completely rebuild, and my report this morning from the project manager is that by yesterday

we had started nine of those homes, the other three are due to commence shortly to be rebuilt. The other 20-odd have minor repairs that are necessary and those are now out for quotes to be completed in a short time. I know, Madam Speaker, I have trod on the patience of the people of East End for quite some time over the last few months, but the process was so convoluted to try and get these homes, the design, the planning permission and what have you, thereby it was delayed. Nevertheless, it is coming!

Madam Speaker, now that I am talking about people getting rewards for their contribution to society, I should add that I recently proposed that we create another award for Caymanians. Madam Speaker, I think that the time has come for us to have a two-tier or three-tier award in this country, something such as an order of merit or an order of distinction, as well as the Caymanian certificate and badge of honour. In the last three or four years, I think it was, during the quincentennial year, we created Heroes' Day, which is a public holiday. Those awards, (if successful, and I am hoping that it will be) and the certificate and badge of honour, because there is nothing wrong with the certificate and badge of honour, Madam Speaker, but whatever awards we may have I would like to see us have a Caymanian celebration on Heroes' Day and those awards be given to Caymanians on that day.

Certainly, Her Majesty, Queen Elizabeth II awards Caymanians for their contribution also, and certainly that will have to continue to be given at Her Majesty's Birthday Parade. However, the Caymanians' awards I think we need to make that uniquely Caymanian and we need to do that at our Heroes Square. If that is the only legacy I can leave to my country, I am going to work on it along with my colleagues. We need to separate ourselves from everybody else, like everybody else separates themselves from us. We must have something to identify us with, and Heroes' Day is ours where we celebrate our heroes, our people who have made outstanding contributions to our country. So, let us celebrate it in style and give Caymanians something to look forward to on that day.

As I mentioned earlier, the wall will be constructed this year in East End to protect against storm surge, and we continue to pray for no more storms. In addition, Madam Speaker, the Honourable Leader of Government Business has promised that we will build some farm roads in East End which are needed. There is much land in East End that requires roads in order to get to the arable land in that constituency. He has also promised me that we will erect satellite butcher shops in the district of East End. Madam Speaker, this is welcome news to the farmers in East End, and I will work towards getting these projects completed.

There are not many more roads needed in East End, but those that are needed we will work towards getting. Madam Speaker, in your constituency (I might as well deal with North Side also because we

seemed to be conjoined twins from the beginning) there are roads to be done in North Side, as well, to open up the interiors, and much to be done on the paving of existing roads, which I will also see to it that it is done during this period.

Madam Speaker, the Water Authority continues to work on getting new water into your constituency and that will continue. As a matter of fact, sometime in July, I believe, we will be receiving a new trencher which will facilitate the speedy conclusion of that project. Certainly, Madam Speaker, the water also has to go to Queens Highway because if we are going to get the Mandarin Oriental Hotel there then we have to get water there and it has to be done in a short period of time.

The roads, Madam Speaker, as I have said before, the last unpaved roads in this country are throughout East End and North Side and those have to be paved. As a matter of fact, Madam Speaker, I believe we are in the process right now of planning the paving along Gun Bay and Colliers Road where pipe water is already installed. As soon as the Water Authority gets sufficient pipes in the ground in North Side we will commence the paving and repaving of that road. That is not chip and spray; it is asphalt that I am talking about. Since the Minister of Tourism has come up with the "Go East" initiative, which will benefit those two districts and since the residents of this country go to those two districts to relax, we want to invite them there because it can stimulate our economy. Certainly, if they do not have good roads to drive on, then we are going to turn them away. It needs to be done to assist in facilitating the "Go East" initiative also. I promise you, Madam Speaker that I will take a personal interest in getting your constituency roads and other projects completed.

Madam Speaker, I was a little concerned when Hurricane Ivan destroyed our cemeteries on the eastern end of the Island. It is an extremely sensitive matter, which should not be discussed in too much detail, but certainly I have a responsibility to protect our loved ones who have passed on. To that end, Madam Speaker, we are in the process and we are budgeting for a wall around the East End cemetery and to continue the wall around the North Side cemetery because that is partially wall. Under the previous administration a little wall was put around the East End cemetery, but the wolf that blew down the house, that wall would not have stood up to him, much less Ivan.

Madam Speaker, being conscious at the time immediately following Hurricane Ivan of what had happened in the three districts—Bodden Town, North Side and East End—with our cemeteries, I made provisions immediately following the storm. Within days following the storm, I asked Mr. Leighton Dixon to stockpile the sand that was on the road up at the Civic Centre in East End, and there is still much to be moved from along Colliers Road, but as soon as we get some time we will move that. Madam Speaker, as

soon as we build these walls around our cemeteries we will utilise that sand to reclaim the level that they were at. Madam Speaker, we lost many of our loved ones in East End and we need to protect those loved ones who have passed from further damage, including Bodden Town and North Side as well, because we are the districts that are most exposed to the elements in that regard.

I also have plans in this Budget to try and extend the John McLean Drive westward. If one was to visit East End they would see how exposed the homes are, and they are right on the waterfront, thus the reason why we had so much destruction in that district as a result of Ivan. Madam Speaker, that too is a sensitive matter because properties are passed down from generation to generation and a lot of sentimental values are attached to these properties. However, Madam Speaker, there are young Caymans coming up in East End and they may not want to live that close to the sea. If we can extend the John McLean Drive westward, Madam Speaker, we certainly can open up lands for new development. I do not expect that we will pave it during this fiscal year, but at least we will be able to open it up and people can start thinking of how they are going to develop their properties.

Madam Speaker, another road that needs to be opened up in East End . . . and likewise in North Side because I understand the same thing is happening in North Side. There is a particular place where you can go into the caves within North Side which is awesome, as I understand it. In East End we have a place called Winters land, locally called the '*Wettus land*', and Madam Speaker, it is a site to behold. It is really a watering place for cows, but those who have visited there, like my good friend the Second Elected Member for George Town who carried many baskets of mangos out of there and parrots too, and took cows in there—we need to build an access road in there without destroying the atmosphere; the scenery in there. Madam Speaker, that too, I would like to do, to coincide with the "Go East" initiative because we need to encourage ecotourism in those districts. We have a number of young East Enders now who are doing tours in there and we need to facilitate and develop that.

The other thing that is in the district of East End, Madam Speaker, is the salinas, and we need to enjoy that without destroying it because it is, again, one of the most beautiful places you will ever go to. If you go there you would think you were in the Midwest of America. No one knows any difference when you are in there. That is one of the most beautiful places in this country, so the Minister of Tourism's "Go East" initiative could not have been more timely.

Madam Speaker, you and others in this country know that I have stood on the Floor of this Honourable House on many occasions during my tenure in the Opposition, and I went at the Minister of the UDP Government who was responsible for Education about

a canteen in East End. Madam Speaker, that resolve has not been killed by the advent of coming to this side. The now Minister of Education has made provisions for us to build a canteen for the children in East End. Madam Speaker, at the very least I have to get that Bill because I could not have been complaining about it for so long and now do nothing about it. I know the First Elected Member for Cayman Brac and Little Cayman knows that she will be getting her canteen in Little Cayman as well. Madam Speaker, I am thankful to the Minister of Education. This is one of the things that we need to do, Madam Speaker, to develop our school.

Madam Speaker, in closing I would like to say to this country that this is just the beginning. There is much work to be done. While those who will feel the pinch of the revenue measures may feel a little uncomfortable and complain a little bit, I ask them to be patient with this country and with this Government because it is all in the best interest of this country. What they will not say is that we are implementing revenue measures and then wasting the money. It is obvious what we are using the money for, Madam Speaker. It is in the development of our schools, our roads, the same roads that we have created our own chaos on by bringing in more and more vehicles. Maybe it is time that we start talking about increasing the cost to own second, third and fourth cars in this country. Each of us needs a vehicle, each household, but one person should not have four and five contributing to the traffic woes. If you want to have four or five that is entirely up to you, but you can only drive one at a time.

Madam Speaker, again I commend this Budget to the Members of this Honourable House, in particular, the Members of the Opposition. While I was not here during the Second Elected Member for West Bay's address, I pray and hope that he has rethought his position and he will now support this Budget, Madam Speaker.

Madam Speaker, this Budget is a good budget. The country is on a good course. We are moving ahead and we will reach there with the help of God almighty and the people of this country. With a little bit of patience, Madam Speaker, this country will move forward. Like my friend, the Second Elected Member for George Town (the now Minister of Education) always says, I leave this country with this: there is no future in the past.

The Speaker: Does any other Member wish to speak? The Honourable Minister responsible for Health and Human Services.

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

As I rise to give my contribution to His Excellency's Throne Speech, the Financial Secretary's and Leader of Government Business's contributions, I must say that as I have listened over the past few days, the debate that has taken place here this time is

at one of the highest standards in the nearly 14 years that I have been here and that goes for both sides of the House. I am so proud of my Government Back Bench supporters, the contribution that they have made, and I think that as us five seniors who sit here—the First Elected Member for Cayman Brac, the Honourable Leader of Opposition, you, Madam Speaker, the Leader of Government Business and myself—there are only five of us who have been here for more than two terms. I will say no more. We can make deductions. When you lose touch with the people they know what to do. It may take them four, four and a half years, but they will make the necessary changes.

Madam Speaker, this is the third Cabinet (in the olden days Executive Council) that I have served on, but I will say that this is the most cohesive unit of four colleagues that I have worked with. The Leader of Government Business never ceases to amaze me with his ability to understand, to comprehend, to analyse and to come up with solutions, as any parliamentarian that I have ever worked with. As my colleague on the right has said, he is younger than I am. What he has been able to do with agriculture, his ideas, the vision that he is putting forward to compliment my colleague in tourism as we go east, I am pleased how it is going. There are concerns, and I can understand, from people on the western side, but as has been pointed out, Madam Speaker, with the mass confusion at times on West Bay Road, it could actually provide a relief when we can move some of the traffic from off of West Bay Road.

I look forward as the Minister of Tourism develops Pedro Castle. You know, Madam Speaker, I have attended two of his forums: one in your district and the one in Bodden Town, and for the very first time there is a genuine proposal being put forward with concrete ideas and support for those who want to take advantage of these opportunities and I take my hat off to him.

The Minister of Works, what do I need to say? He just finished speaking. I have gained tremendous respect for him. At one time we were on opposing sides, and I will always remember my dear deceased father-in-law saying, '*Arden you're too hardened*'.

[Laughter]

Hon. Anthony S. Eden: However, Madam Speaker, sometimes that pays off. He is like a pit bull, he will not give up. We have seen the results on the roads, communication meetings with the radio stations and so on.

My Minister of Education, what do I need to say? You talk about the Minister of Works being tenacious. The licks that he has taken from so many angles, but he will not give up, Madam Speaker, he is determined. I have served with and seen other education Ministers attempting to make changes, and for whatever reason, because of that frustration that

some of them went through they were unable to achieve their ultimate goal. Madam Speaker, with about three years to go, I think there is much hope for education under the present leadership of the Minister for Education.

Madam Speaker, with your permission I would just like to re-read a couple of pages about what the Leader of Government Business said. It is a synopsis, Madam Speaker, starting on page four of what this Budget is all about as we go forward:

“The Budget: Courageous, Compassionate, Prudent and Visionary

The Budget is courageous because it proposes a capital expenditure of CI\$130M, the largest capital budget of any government in the history of the Cayman Islands. This is ambitious, without a doubt, but absolutely necessary . . . That is the key word on what we need to do here. This is no nancy-pancy or whatever you may call it, this is ideas put forward that will benefit every soul, every resident that lives in these Cayman Islands. It is, **“necessary to address the critical infrastructure needs of these Islands . . . Schools, roads, health care, disaster planning, housing enhancement of the tourism product and sports facilities are all being addressed because this government realises and understands that without the proper infrastructure, the quality of life in these Islands is greatly diminished and we are rendered a less attractive place in which to live, work and do business.**

“The Budget is compassionate because it addresses a significant number of social issues . . .” We have heard these for many, many ages. Madam Speaker, you and I came in here at the same time, along with the Leader of Government Business and I know the advocacy that you have done, even in your short term as a Minister before changes were made. You had the vision and the ideas not only for your district but also for the Cayman Islands.

As I said, **“The Budget is compassionate because it addresses a significant number of social issues and aims to improve the life of many in our society who need assistance, whether as a result of Hurricane Ivan or otherwise. It allocates a further \$2M to assist persons who are still struggling to repair or rebuild their homes in the aftermath of the hurricane.”**

Just to stop there momentarily, Madam Speaker, to say, as was said earlier on, there is another \$2 million that we plan to deal with as one of the first items in the Finance Committee when it is convened, to attempt to continue to help our people who are in need. We cannot, Madam Speaker, wait until July or August to provide further help. Those that need help we must continue to do it. This is something that rings out every Tuesday in Cabinet, and I am pleased to know that we are going forward with this.

This Budget **“provides for an increase in the *ex-gratia* payments to seamen and veterans. It supports Government’s initiative in collaboration**

with the Caribbean Development Bank to conduct a National Assessment of Living Conditions throughout the Cayman Islands”, which I will go in more detail later, Madam Speaker. **“It is compassionate because it acknowledges that Government is keenly aware that the cost of living in these Islands is challenging and that many people are struggling to make ends meet.”** We know what has happened after Hurricane Ivan, Madam Speaker, with the exorbitant rent and whatever, but as we look around at the economic principle of supply and demand, it is hoped that relief will soon come in that area.

“It is compassionate because in developing the necessary revenue measures, the Government has striven to avoid imposing any new measures that will significantly impact the average person and family.

“The Budget is prudent because, as the Third Official Member has ably outlined in his address, all the proposals are entirely affordable, and the planned borrowing is well within the parameters of the Public Management and Finance Law. It is prudent because it acknowledges that the Government cannot embark on a major capital expenditure programme without raising new revenue. It is prudent because not only is it balanced, but it projects a healthy operating surplus of \$32M at the end of the 2006/7 fiscal year.

“The Budget is visionary because it seeks not only to address immediate issues but is part of a longer-term strategic approach to the continued development and success of these Islands,” especially in the area, Madam Speaker, of education. **“It reflects the Government’s belief and commitment that Caymanians must be able to share in the growth and development of this country.”** Many people keep asking, *‘Why are we developing so, are our people going to benefit from this?’* **“It recognises that special initiatives by Government are necessary to encourage and enable Caymanians to purchase real property and in particular to acquire their own homes. It also acknowledges that education is the key to the ability of Caymanians to participate in the opportunities presented by the Cayman Islands economy, and that significant expenditure must be made to ensure that our children and adults are provided with appropriate education and training facilities, curricula and teaching. It is visionary because it recognises the need for proper planning – from the development of new schools to a National Transportation Plan and new government accommodations.”**

Madam Speaker, before I go into the main part of my ministerial responsibilities for the Ministry of Health and Human Services, I would like to say congratulations to His Excellency the Governor. He is an individual that I have found, Madam Speaker, who is willing to sit and listen. I noticed he attended the meeting of the Seamen’s Association memorial service on

Sunday. I said to him in the audience that day, it was touching that he was as humbled to come and learn and he could come to no better arena to see where we, as Caymanians, came from because, Madam Speaker, in that audience were those that started the foundation on which our great Islands have been built. As usual, the predominant number of people there were the women who stayed home, who were here, who raised our children, who helped build the homes off the allotment cheques that came home. So, as I said that to him, Madam Speaker, he was actually sitting on part of the history of the Cayman Islands, actually touching the flesh of those who made Cayman where we are today, who sewed those initial seeds.

Madam Speaker, Members of this Honourable House are aware that my Ministry has responsibility for ensuring a healthy resident population – that is, providing services for the people of the Cayman Islands to experience a state of complete physical, mental and social wellbeing. This, Madam Speaker, is no small task, but with the support of everyone, the Ministry can carry out the responsibility while achieving its strategic goal of focusing on the policy, legislation and its development.

The initiatives, Madam Speaker, for the 2006-2007 Budget year include evaluating public health policies and identifying best practices. Madam Speaker, I was vividly made aware of this in a conference that I attended in St. Kitts last week with other CARICOM health Ministers, the great emphasis they are putting on this. Madam Speaker, to deal with the diseases that come upon us, not necessarily by direct contact with people but diseases like diabetes, hypertension, and cancer, it certainly came through loud and clear that our lifestyle has much to do with helping prevent some of these problems. These are some of the focuses that we will be looking forward to in our public-health approach as we go forward:

- initiative to develop a social development policy initiating costs, ministries' collaboration;
- supporting the work to rehabilitate criminal offenders;
- promoting the development of supportive community action groups; and
- updating several pieces of legislation, namely the Public Health Law, the Mental Health Law, the Pharmacy Law, the Children Law and its regulations and the Adoption Law and its regulations.

Madam Speaker, I will speak in detail about these initiatives as I go on, but it is very important that the Ministry continues to take a holistic approach to addressing human needs. Work has already started on integrating departments and government authorities companies that provide Health and Human Services. I believe the agencies under the Ministry of Health and Human Services have adequate resources. However, efforts must be made to streamline

all services, to effectively meet the physical, mental and social needs of our people.

Much has been said in recent times about the mental health situation in the Cayman Islands, and I will talk about this later on. This is something that, at times, is hard to determine, but I am still convinced, Madam Speaker, that after Hurricane Ivan there are many, many of us, especially our younger people and our senior citizens, who are still, to a certain degree, going through the trauma of that dreadful event. I will briefly now give a Budget analysis of the 2006-2007 Budget.

The total amount, Madam Speaker, allocated to the Ministry of Health and Human Services in the 2006-2007 Budget is \$63.2 million, compared to \$57.5 million in the 2005-2006 period. This represents a net increase of \$5.7 million, or a 10 per cent increase over last year's funding. I am pleased to report that the Ministry will continue to provide all services that were delivered in 2005/6 through prudent management and stringent controls over the spending of public funds. All efforts have been made to ensure that the increase in the Budget allocation has been wisely appropriated.

Seamen and the veterans' entitlement grant have been increased by \$50 per month effective 1 July, God's willing, if the Budget is approved. The amount allocated for burial and rental assistance has more than doubled for the 2006-2007 period. Madam Speaker, as I go further into my delivery, I will share the reason why, at this time, we have not looked at increasing the financial assistance as we know it similar to the veterans' and seamen's. As I alluded to earlier on, we are doing the study, and I think that will put us in a much better position to understand what we really should do for our seniors and those that need that help.

Meeting the needs of the most vulnerable groups, especially our children and the elderly citizens of these Islands, must continue to be a priority. The Budget of the Ministry of Health and Human Services has been prepared with emphasis on where the human needs are the greatest. The decisions to assist those in need can be seen in all the increases made to provide for women, elderly and the poor. The Department of Children and Family Services continue to provide poor relief payments, poor relief vouchers for the needy.

The Ministry working with the Cabinet office has initiated a comprehensive study of living conditions of the residents across all three Islands. Through this project the Government seeks to analyse the impact of social and economic policies, and assess how effective the current financial assistance programmes are in responding to the needs of our people. At the conclusion of this project, we hope to establish the poverty lines for the Cayman Islands and determine who are the socially disadvantaged and what it will take to turn it around. For too long, Madam Speaker, the Cayman Islands have suffered because of our high Gross Domestic Product (GDP) and have not

been able to get funding because many people think that we (as I will call it and will probably be corrected), as indigenous Caymanians, are sharing in the great wealth of a few, which has skewered our economic standing throughout the world.

Madam Speaker, the majority of funding for this project is being provided by the Caribbean Development Bank, and this will go across all Ministries and most Departments. One of the benefits from this, Madam Speaker, is that the computers and whatever material that is used to do this study will be left here in the Cayman Islands with our Economics and Statistics Unit.

Let me say that there have been no decreases in the 2006-2007 Budget, whatsoever, in any area of Health and Human Services. I know the Second Elected Member for West Bay looked at some pages, which I will discuss with the Honourable Financial Secretary because it has been brought to my attention that some of the figures there were inadvertently put in. Thus when comparison was made, it was actually for new services that have been provided, but this will be dealt with, Madam Speaker, when we get to Finance Committee, and I apologise to the Second Elected Member for West Bay and the rest of the House as some of these figures will not add up. I will have this corrected in presentation at Finance Committee.

The Ministry, in fact, Madam Speaker, will offer enhanced programmes in the new Budget year. For example, the Department of Children and Family Services has budgeted to provide additional services for the elderly in Bodden Town. An equity injection of \$690,000 has also been requested for urgently needed facilities, and from this amount, \$150,000 will go towards the rebuilding and extension of the Golden Age Home. This, along with other funds of up to \$200,000, have been identified, Madam Speaker, as you heard from the Leader of the Opposition and other representatives for West Bay, where they have accrued approximately \$200,000. We have had some drawings (and I think they have been there from the time you and I were there) for a long time by Public Works, and they are looking around \$350,000 to \$400,000 to get this project going, and as soon as everything is going we look forward to dealing with that. When you were Minister, Madam Speaker, you would have known the condition of the Golden Age Home in West Bay. We must and we will do something about that.

The Ministry has also finally included, Madam Speaker (you waited, like myself, 14 years for this) the amount for the development of plans for a senior citizen's home in North Side, and later on this week we will be spending time with you, Madam Speaker, looking at the facility there.

Funding for other capital projects include \$50,000 to erect an extension at Maple House where special needs children are housed. This is an area that touches me whenever I go there so whatever we

can do to make them more comfortable. . . . As I look across the way at the former Community Minister, the First Elected Member for Cayman Brac and Little Cayman, she knows that situation. We must do whatever to make them as comfortable as we can. It is a real sad situation.

Four hundred and ninety thousand dollars for the extension of the Caribbean Haven facility, which will be a female wing to accommodate six clients at any one time, I will speak in more detail of this later.

The Health Services Authority will also receive an additional equity injection of \$2.55 million for the purchase of medical equipment so they can deliver services that the people of the Cayman Islands demand. In 2005, even with Cayman Islands National Insurance Company's (CINICO) cost savings efforts, a significant amount of money was spent on overseas medical care due to the unavailability of such services in the Cayman Islands. Funding for capital expenditure will allow the Health Services Authority to acquire new medical equipment, to offer some additional services such as magnetic resonance imaging (MRI) testing. As we all know, Madam Speaker, in the past, whenever this service was needed, we had to, as promptly and as quickly as possible, after stabilising the patient they had to be air lifted out. This funding will support the Authority's strategic goal of developing the necessary infrastructure by purchasing technologically advanced medical equipment to provide better diagnosis and treatment.

Madam Speaker, I have heard, I have listened and I understand because representations have been made to me in regards to some of the quality care of the George Town hospital. It is of great concern to me, Madam Speaker. It was a state-of-the-art facility at one time, having the best available equipment. Madam Speaker, we now have a new board, which I am thankful for. On 1 April we brought in a new chief executive officer (CEO), and I am ever looking for significant improvements in how healthcare delivery is made at the George Town Hospital. When people are sick it is when they are most vulnerable, and none of us are exempted from that terrible thing – sickness and disease.

Oh, how I wish, as I have seen some doctors—and some of them are compassionate and caring, but, Madam Speaker, I want to see a greater effort put into how they deal with their patients. Just a little bit more time not only with the patient but with the family, letting that family Member know, especially in great times of difficulty, what is happening, what can be expected, what else can we do. Madam Speaker, it is my determination, for whatever it takes, to make changes there. If there has to be movement of personnel, so be it. We cannot continue, as the fifth largest financial centre in the world, some of the treatment that we, as residents and Caymanians have to go through.

I have to say it, as I said to the medical director when he first came here and there were great

hopes, the first point of contact most of us have is A&E, the emergency section. I fully understand that if there is a trauma or if something happens you are not going to see the doctor right away, but I have had people coming to me until recently and tell me of the interminable hours that they have sat there, the children and the older people. I have to say, Madam Speaker, is it so difficult for someone to come out and say, *'This has happened, a serious accident, we are going to be longer if you want to go home and come back. Something has happened. We cannot see you right away.'* People are telling me they sit there. I know some of my colleagues here, Madam Speaker, when the intestinal bug was going around they had to end up going to another facility. That hurts me, Madam Speaker. For whatever reason, we should not have to be doing that. If we need to bring another doctor in, as when I was here the last time because when the backup starts there should be a provision there. You do not need to be a nuclear physicist to see what is happening. Bring that person in! Bring another one if necessary!

As I said, I know there are times when you generally have to wait because I went through that in the great United States with my oldest son. We went into the University of South Florida Medical Center, and I sat there for eight hours not knowing one other soul sitting in the waiting room but me and him and his mother. What could I do? I had to wait. We finally got called in. I did not understand why, but it is one of those things that will happen in emergency rooms. However, just to let the public know, there is also another facility around the back where the general practitioner (GP) clinics are, and if that is properly utilised it could take a lot of frustration out of our people and I hope that we can better publicise this, Madam Speaker.

Madam Speaker, medical care on one of my favourite Islands in the Caribbean, Cayman Brac, has been increased by 8 per cent, and the two representatives for Cayman Brac and Little Cayman are always there. It was touching when we were able to meet over there and provide a dialysis service for the patients.

I was saddened to hear today that there is a problem that developed, but I am hoping that with the help of God, whatever that is, we can get it sorted out because I have seen what the people have been through. One individual, an elderly gentleman, when I saw him here at the George Town Hospital, as I said in the opening of that facility, having had to come here two or three times a week, sometimes he had to get up at five or six o'clock in the morning to get the plane, and when dialysis finished hopefully the plane was not late – it would be five, six, seven o'clock in the evening by the time he got home. He was almost a skeleton, but when I saw him in Cayman Brac after a few weeks of being able to utilise the dialysis unit there, Madam Speaker, it cost a few dollars, but what is compassion and care when we can make those

kind of people comfortable; those people that literally gave their entire adult life to the development of these Islands and the nation builders? Madam Speaker, we cannot put a price on that.

An equity injection of \$3 million will also be made to CINICO for the 2006-2007 period to ensure that their capitalisation meets the requirement levels of the Cayman Islands Monetary Authority. Madam Speaker, as you know, this is required under the Law which they were formed. I am hoping that we can deal with this through, at some stage, a lot of credit [when] we do not have to be doing this constantly and that they can be assured that the capitalisation amount is there.

The Children and Youth Services (CAYS) Foundation will receive an equity injection of \$200,000 to fund their operating loss for the 2006-2007 period.

Madam Speaker, Cayman Islands National Insurance Company has been able to contain the cost of healthcare to Government and has now obtained, finally, re-insurance. CINICO also continues to provide an option for those people who cannot get health insurance coverage in the private sector. The way that the re-insurance works, Madam Speaker, is because we finally have a baseline on which to base the payouts and the information and data is now available after a year, which has been able to provide the civil service with a cap of where we are liable up to, I think, it is \$0.5 million and after that the re-insurance drips in. Madam Speaker, I do not have to tell you, as you know, some of the trauma cases that we have to send overseas can cost into the millions, so this can provide, down the line, significant savings to the people of these Islands.

The CAYS Foundation will continue with its strategic redirection initiated by the new management and board. I would like to take this opportunity, Madam Speaker, to thank the Chairman of that Board, Ms. Karen Hunter. As we know, her heart is in the right place. She has been through this before, she is dedicated, and we look forward to making things better and easier for our young people who have the stress and peer pressure they now face. We look forward to working with them and putting forward programmes that will help them.

The outputs to statutory co-operations and Government companies— Madam Speaker, the Ministry is responsible for oversight of the following Government authorities and companies: Health Services Authority, Cayman Islands National Insurance Company, Children and Youth Services Foundation and the National Drug Council. The existing outputs for services purchased from the HSA have been increased by approximately 8 per cent, and there are also two new outputs that will be purchased during the 2006-2007 Budget period.

Recognising the critical importance of maintaining an efficient emergency medical service, the Ministry has agreed to purchase new outputs from the Health Services Authority. The first new output is the

provision of ambulance services throughout the Cayman Islands for approximately \$1.7 million, and the second new output is operation of services at district health centres for \$910,000. Madam Speaker, I remember you, me and others always talking about proper and efficient ambulance service, an ambulance stationed at each one of our health centres, because there are times when it is of great importance – there is a serious accident and we do not have to be running all over the place. One is broken down, one is in West Bay and one is in George Town. There are always unfortunate times when this happens. Madam Speaker, I am hoping that with this, it will make a big difference.

You know, I was the person instrumental in getting the new health centres for each one of the districts. It was always my vision, Madam Speaker, that when parents and families would go home in the evening and find a child sick that they would not have to turn and come all the way back and now it is a good thing where they do not have to come back to George Town in the evening. Even going home now up until eight o'clock in the night going east is just unbelievable. Can you imagine, Madam Speaker, a parent going home and finding someone sick? This is why we plan to have these facilities, these health centres in each district where the access is easy for parents, sick people and the older people.

I have been to the Bodden Town Clinic a number of times, and it means so much that they can go there and not have to come all the way into town. The provision of ambulance services Island-wide is vital to guarantee reasonable response time, as I said, in medical emergencies. Through the purchase of this output, ambulance services will be maintained in each district. Accessibility is crucial in primary healthcare. Through the district health centres, patients are afforded easy access to medical services in their communities, particularly as I alluded to earlier, for the elderly and the working population who may find the commute and operating times, particularly, in George Town, inconvenient.

Having recently attended a Ministers of Health meeting in St. Kitts, I, as well as my colleagues around the region, recognise that public health is a very important component in the broader healthcare system. The wellbeing of our people is dependent on how well our public health system is structured. The Ministry is in the process of assessing the effectiveness of our public health services, which includes mental health services. Preparedness for a possible influenza pandemic will be a priority, and the Ministry will continue to place greater emphasis on health promotion and protection in the next budget period. Two point nine six million dollars has been allocated for public health services.

As I said earlier, Madam Speaker, more concentration will be placed in the area of mental health, and to that end we have brought on another mental

health doctor to assist with Dr. Lockhart at the hospital in a more comprehensive approach.

I was touched about three weeks ago. My Chief Officer, finding that the acting CEO was going to Jamaica, took it upon herself to go over to Jamaica and visit three homes in which our chronic mental health patients are housed. She was able to go over and spend time with them, to have a better understanding of what they are going through. There are some of them, Madam Speaker that need very intensive care and very careful monitoring. Hopefully, one of these days soon we can start to bring them back home where they can be closer to their families, and put homes in the communities without a stigma, Madam Speaker. I remember when I was in Ministry the last time, there was a rough estimate done when it was said that there are over 1,700 of us Caymanians that have, at some stage or other, some mental difficulty and it can go from something minor to a major situation. So we are looking forward, Madam Speaker, to working on this.

We are working with the Honourable Chief Secretary in regards to dealing with the mentally challenged prisoners, and we have looked at an area where the Cuban refugees were kept in one of those buildings. There is much space there, and I know he has plans for it, but I have asked him to reserve some space there for us.

Together the increase in the existing outputs and the purchase of the two additional outputs will increase the revenue of Health Services Authority by \$3.45 million. The Authority will also receive an equity injection of \$6.5 million to fund their operating loss for the 2006-2007 Budget.

Madam Speaker, I am pleased to say that finally we are going to start that comeback for the employees of the HSA, to try to get them up to where their cohorts in the civil service are, and they will be getting a 3 per cent increase 1 July.

The Speaker: Honourable Minister, I will take the afternoon suspension at this time, if it is convenient to you.

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

The Speaker: Proceedings will be suspended for 15 minutes.

Proceedings suspended at 3.49 pm

Proceedings resumed at 4.16 pm

The Speaker: Please be seated. Proceedings are resumed.

Honourable Minister responsible for Health and Human Services continuing his debate. Honourable Minister.

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

As we took the afternoon break, I was getting ready to go to the Ministry's outputs purchased from CINICO, CAYS Foundation and the National Drug Council, which have remained unchanged for the 2006-2007 Budget period.

Madam Speaker, earlier in the year I was pleased that our Ministry introduced a workplace wellness on health programme. This was looking at exercising, eating healthy (more fruits, more vegetables), but, unfortunately, Madam Speaker, I only lasted five days.

[Laughter]

Hon. Anthony S. Eden: What happened, I actually twisted my ankle stepping down and was knocked out of commission, but it is my intention, Madam Speaker, to continue this and advocate. I would like to take this opportunity to welcome the Second Elected Member for West Bay. I know he is a health nut so he will be fine.

Also, a week before last there was a presentation to Cabinet by some of the medical doctors talking about the importance of eating healthy, exercising, things to watch for, especially in the area of the non-communicable diseases such as diabetes, hypertension, arthritis and whatever. The healthier we live, especially at an earlier age, Madam Speaker, it sets a good groundwork for us as we continue to grow up. I do not like to talk about old age. I refer to it as growing up.

The Speaker: Senior citizen.

Hon. Anthony S. Eden: Non-Government Organizations—Madam Speaker, the Ministry also purchases outputs from 16 non-governmental organisations, and the amount allocated for this purpose in the Budget is \$3.1 million. Madam Speaker, I think that my Ministry, probably more than any other, purchases these services which are rendered to the Ministry and the community. This is an increase over the funding from last year in order to continue to address the humanitarian and social needs of the Cayman Islands, especially those that are as a result of the aftermath of Hurricane Ivan. The increases made to NGOs are as follows:

For the Community Development Action Committees (we all know it better as CODACs) we have increased the allocation by \$10,000. The NGS 28 and 29, the Pines Retirement Home, accommodation and care of elderly and disabled indigent patients and those needing extended care has been increased by \$11,000.

Since the Second Elected Member for West Bay is present, I mentioned earlier that there was some mix-up in the production of the outputs from last year where you may have seen indication that services had been cut. I apologise for what has hap-

pened there, but I will sit with the Honourable Financial Secretary and have that sorted out before Finance Committee, as I mentioned to the House earlier on. I apologise for that, Sir. Actually, overall there was increase in these areas.

Rental accommodations for persons in need increased by \$306,000, and I know the Second Elected Member for West Bay will be glad to hear burial assistance has been doubled and increased by another \$45,000. He did advocate for that in last year's Finance Committee. You see, Madam Speaker, this is the beauty of when we are all going in the right way for the right reason because, once again, none of us has the right to not die, it is one way we all have to go. We must cross that threshold at some time or other, unless my Heavenly Father decides to come early and take us up in the clouds, but some of us may not be that lucky and we will have to be buried. Therefore we need to be able to help those that genuinely need help, Madam Speaker, because I have seen, as many of us here have seen in the past, the abuse in this area. Nonetheless, we will continue to help, and if it needs to be increased again we will be looking at it with the support of the legislators here.

Madam Speaker, I would like to thank Ms. Estella Scott, who operates the Crisis Centre. Madam Speaker, I think that is another area that you relate well with. That is one of the specific areas that you look forward to helping battered women in times of domestic abuse. I met with her on a number of occasions. She is a young Caymanian and she is doing an admirable job there. I would encourage anyone to give any support they can.

Madam Speaker, the other person I want to specifically call by name that heads up our Beautification Committee and the Savannah CODAC, Ms. Heather Bodden. She has really put her heart into this, and I have seen the transformation in different areas of our district of Bodden Town. I know she is keen to see all of the Cayman Islands beautified, Madam Speaker. We pledge, Madam Speaker, to give her support and I encourage all of us as residents to do our part to stop littering, to make Cayman look like a nice place for the visitors to come.

Thank you, Madam Speaker, for the note and I apologise for not realising that Ms. Scott had got married. She is now Mrs. Estella Roberts, and I give her my best wishes and congratulations.

Madam Speaker, as we continue to go east and west in the area of cleanup, I am sure the Minister of Tourism will be happy and he, along with the rest of us legislators, will give support wherever necessary. The Minister of Works I know is keen and has brought in equipment to help toward this end, and there is significant improvement in the outer districts and throughout the Island. There is a difference, especially since what we have been through after Hurricane Ivan. There are so many places dilapidated and even in my district of Bodden Town. I look forward as we continue to clean it up, especially on that Manse Road

area which, probably after central East End, was one of the greatest devastations that I have seen. Madam Speaker, there are just a handful of homes that are actually left standing there, and I know that the Honourable Leader of Government Business, in consultation with the Cabinet office secretary, will be looking at how we can tidy this place up. We do not expect at this time, right off the bat, that the people will clean this up, but it will come to a stage where they will be given time, and if not then we will see how best to handle this. However, as we draw nearer to another hurricane season, I think it is imperative that we get this because some of these leftover and mashed-up buildings could become flying missiles.

Madam Speaker, there is a very unique and special committee that we have in Bodden Town that was started by Mr. Joey Ebanks as one of the offshoots of the PPM district committees. I think many of us in all the districts are looking at this. I am referring to the Senior Citizens Committee in Bodden Town which is chaired by Ms. Winsome Hill, ably assisted by the Honourable Leader of Government Business' wife, and there are several women who are doing a wonderful job in that area. Once or twice a month they will have birthday parties for the seniors and they have arranged for the senior citizen home down on Cumber Avenue to be cleaned up and taken on-board. Ms. Mary Lawrence has made a great contribution with them. There are just too many names to call. This is something that we would like to see in each district.

I know in the last Finance Committee we talked about the CODACs, and I have increased each of those district's allowances, I think, by \$2,500, so I would encourage legislators to access these funds. It is not a hell of a lot of money (excuse my French, Madam Speaker) but every little bit helps.

[Laughter]

Hon. Anthony S. Eden: I know it is unparliamentary but . . .

[Inaudible comments and laughter]

The Speaker: I make that decision.

[Inaudible comments and laughter]

Hon. Anthony S. Eden: Madam Speaker, all of these increases were necessary and, as far as I am concerned, go to a good cause – the increased demand for these services. These recommendations were done after receiving information from, as I said, some of the MLAs, the Department of Children and Family Services who administer these payments on behalf of Cabinet.

Madam Speaker, I will now speak on the future plans of the departments under the Ministry of Health and Human Services. The Department—

The Speaker: Honourable Minister, if you are going into a new section of your debate, we have two minutes before it is the hour of interruption, so I would entertain a motion for the adjournment at this time.

Hon. Anthony S. Eden: Thank you, Madam Speaker. I move the adjournment of this Honourable House until 10 am tomorrow, Thursday 11 May.

The Speaker: The question is that this Honourable House does now adjourn until 10 am tomorrow, Thursday 11 May. All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

At 4.27 pm the House stood adjourned until 10 am Thursday 11 May 2006.

OFFICIAL HANSARD REPORT
THURSDAY
11 MAY 2006
10.05 AM
Seventh Sitting

The Speaker: I will ask the Honourable Second Official Member responsible for the Portfolio of Legal Affairs to say Prayer.

from the Third Elected Member for the district of West Bay.

PRAYERS

Hon. Samuel L. Bulgin: Thank you. 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 10.08 am

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

Apologies

The Speaker: I have received apologies for absence from the Honourable Leader of the Opposition and

**STATEMENTS BY HONOURABLE
MINISTERS/MEMBERS
OF THE CABINET**

The Speaker: I have received no notice of statements from Members or Ministers of Cabinet.

GOVERNMENT BUSINESS

Debate on the Throne Speech Delivered by His Excellency, Mr. Stuart D. M. Jack, CVO, Governor of the Cayman Islands, together with the Second Reading Debate on The Appropriation (June 2006 to July 2007) Bill 2006 (The Budget Address), Delivered by the Financial Secretary, the Honourable Third Official Member, on Friday 28 April 2006

(Continuation of debate thereon)

The Speaker: Honourable Minister, before you start your debate, I have been handed a note: you have one hour and three minutes left.

Hon. Anthony S. Eden: Thank you, Madam Speaker. This is one of the longer, if not the longest, debates I have had going into my 14 years here.

The Speaker: We could give you extra time.

[Laughter]

Hon. Anthony S. Eden: I hope not, Madam Speaker. Thank you very much, Madam Speaker.

As I continue my contribution, I would say that today is a very, very special day to me. First of all, today is the birthday of my oldest son, and the other special occasion, which has been endorsed by the majority if not all of the Cayman Islands, is the first anniversary of the election of the People's Progressive Movement. One year ago, at this time, we were all fidgeting out there, getting our supporters, and the results are now history. We have been returned, and we continue in our next three years serving the people to the best of our ability and with the help of God.

Madam Speaker, a couple of weeks ago, I got an email from a good friend of ours, Mr. Billy Adam. It was very interesting and different from the dolphin situation; this was talking about health insurance. He says: "As we grapple with our mandatory health insur-

ance issues in the Cayman Islands, the introduction of mandatory health insurance in Massachusetts is of interest. They are the first United States' state to follow the Cayman Islands in the introduction of mandatory health insurance." This I found quite interesting. I was pleased at that time, back in '97/'98, to pilot that legislation through the Legislative Assembly. No, Madam Speaker, it has not been a perfect piece of legislation, but it is a foundation on which we can build.

The writer goes on to say: "The USA just may be the second country in the world to have mandatory health insurance", which I found quite interesting and a bit surprising. Health insurance (and these are some of my sentiments also) is not an option, we will need it. We must ensure that our health insurance industry is structured the best it can be, to meet our needs to obtain healthcare both on and off-Island. The Cayman Islands are world leaders in requiring mandatory health insurance for all resident persons. We must maintain this lead to have the best health insurance system for our people.

Madam Speaker, I will now speak on the future plans of the departments under the Ministry of Health and Human Services.

Department of Counselling Services

The Department of Counselling Services will continue to offer treatment services for substance abuse, and will also strengthen its outpatient programme to effectively treat clients who are addicted to drugs and alcohol. The counsellors and the family therapists at the Counselling Centre will continue to provide counselling to youth and adults who may be experiencing a range of family, relationship and personal difficulties. The Department of Counselling Services is also exploring alternative treatment programmes that address the needs of each client, as the 'cookie-cutter' approach to rehabilitation, does not address the uniqueness of each individual challenge.

In keeping with the client-focus model, the Caribbean Haven Residential Centre will house all female clients at the new residential unit, which the request appears in the Budget. Madam Speaker, many women who are admitted to treatment for substance abuse present different treatment needs than their male counterparts. In addition to substance addiction, many female clients suffer from a range of emotional difficulties due to abusive relationships and past childhood trauma. To address these varied issues, the Caribbean Haven Residential Centre will offer gender-sensitive treatment programmes for women that will be based on integrating Post-Traumatic Stress Disorder (PTSD) work with substance abuse treatment. The six-bed residential unit will be located on the Caribbean Haven Residential Centre compound.

Probation and Aftercare Unit

An overall goal of the Probation and Aftercare Unit is to assist offenders to function in the community and avoid further criminal activities in the Cayman Islands. This is a most important mandate as recidivism in these Islands has had a significant impact on the social wellbeing of our communities. The Probation and Aftercare Unit has played a key role in the development of the alternative sentencing legislation, and the recent reviews of the Prison system. Madam Speaker, I am reliably informed that this approach of probation aftercare has proved much more successful and beneficial to those people because of the extended approach and the monitoring, not only while they are incarcerated but when they come out, and services that they continue to help provide.

In addition to restructuring the unit, in anticipation of the inevitable impacts of the new laws which will come later on, the focus of the parole officers will be on providing and strengthening aftercare services for persons on parole. In addition to attending Parole Board meetings and supervising monthly parole support groups, the parole officers' work will facilitate the reintegration of clients in the community. It is essential that the community play more of a supportive role in the work of the unit.

The unit will commit to raising public awareness this Budget year by advocating for parolees in the community. The court team of the Probation and Aftercare Unit will continue to assist the issues relating to alternative sentencing. Anger management and domestic violent intervention programmes will continue to be run as part of the rehabilitative services offered by the unit.

To ensure high-quality supervision, intervention and rehabilitation for offenders, the Probation and Aftercare Unit has hired additional staff. The Community Services coordinator will continue to assist clients by identifying and establishing placement providers in the community. The Ministry is working to strengthen and enhance the work of the Probation and Aftercare Unit and steps are being taken to upgrade the unit to a department.

Department of Children and Family Services

Madam Speaker, this Department is ably led by Ms. Deanna Lookloy, who has been there and has probably some of the most extensive experience in social welfare and rehabilitation than a lot of other people, I think, in the Caribbean, and I must take my hat off to her.

The Department of Children and Family Services will be focusing on several key areas in this upcoming Budget year. The main thrust will continue to be in strengthening families and communities in an effort to stem the tide of social problems being experienced in our Islands. It is recognised that the wider community is a reflection of what is going on in homes and, as such, we need to address issues impacting families, ranging from violence in the home to parent-

ing, in order to effect any real impact on the wider community-based issues. Thus we have given full support to the National Parenting Programme (NPP), and this is a key component in this effort.

The Department is in the process of staffing the unit in order to be able to continue the various parenting programmes we have already started. In addition, the drafting of the Children Law Regulations is also planned for this year so that we can move ahead with the implementation of this long-awaited piece of legislation (many, many years).

The Department will also continue its advocacy in respect of the development of safe, humane, secure detention and treatment facilities for the adolescent population who may be in need of this type of intervention. Madam Speaker, as I observe, there is a void in this area for our young people, those adolescents, which is an unfortunate situation because there is a very small handful of these juveniles that need to be in a more structured, more safe place than what we are now actually providing on the Islands. I hope that as we go forward, we can discuss with the pertinent groups how we can assist and provide help to them.

As I said, it needs to be more structured, especially the schooling aspect because it has been found out that a lot of the problems that we see existing today can go back to the lack of proper education.

Community Development

Community Development, which has recently been transferred back to the responsibility of the department, will also be an area focused on for redevelopment. Staffing and the reactivation of community-based action teams to work along with the designated Community Development officers will be the thrust.

Madam Speaker, as on many occasions, you advocated, and in the past there was always a Community Development officer in each district. I think it is important that the individual who is designated as a Community Development officer in the districts should be someone that is living there, is familiar with the people and that the community can relate to and have trust in.

I am looking forward, Madam Speaker, to putting someone back in North Side to fill that post whatever we need to do, and in all of the districts. George Town is such a huge area, and West Bay. We need more support there for our Community Development officers, and I feel that this Parliament will look toward that end.

There is a wonderful young lady that is heading up the eastern districts at this time, Ms. Delmira, originally from East End and now living in Bodden. Ms. Delmira is very capable and very enthusiastic, and we are looking forward to getting help for her because this is where it all starts, Madam Speaker – in our communities. This is where we have to head it off. It is hoped this will motivate communities to realise

their power in bringing resolution to some of the identified issues they are experiencing, and get them to work collaboratively in addressing them.

Women's Resource Centre

Madam Speaker, I know this is one of the most passionate topics that you have discussed from way back when, as the song says. I am pleased to say to you this morning that it is the intention of my Ministry to bring back the title as when you were there, and as so many of the lady legislators, past and present, advocated women's affairs. We will make representation to His Excellency to do that amendment in due course.

Abiding by their mandate of empowerment through information and education, the Women's Resource Centre will continue to provide information and education to enhance the status of women and families in the Cayman Islands.

Madam Speaker, there is a very dynamic young Caymanian there (yes, from your district of North Side), Ms. Tammy Ebanks-Bishop. She is just boiling over with eagerness and looks forward to the challenges, and has some great ideas on how she can make the Women's Resource Centre more effective, more productive and more useful. It is so touching when I look and see our own Caymanians, especially in this area, which has been neglected for so long, where lip service has just been paid.

No, Madam Speaker, we are going to address the problems in these Islands in regard to social welfare. It has to be done in a holistic manner, and the Women's Resource Centre is one of those components.

The Women's Resource Centre will raise awareness of the issues that affect women by providing a variety of programmes, workshops and activities throughout the year that will achieve two goals: the first is to improve the circumstances of individuals; and the second goal is to contribute towards national human development.

The Women's Resource Centre will also have a greater focus on providing outreach educational services to the residents of Cayman Brac, and will target educational services to populations located within schools, correctional facilities and non-governmental organisations in Grand Cayman. Additionally, the Domestic Violence Intervention Training Programme (DVITP) and the Sensitivity Training Programme for police officers, social workers and other frontline professionals will be revitalised during this new financial year.

Health Insurance Commission

The Health Insurance Commission will continue to work closely with healthcare providers and the approved health insurance companies to provide af-

fordable and accessible healthcare for all residents of the Cayman Islands. Their objectives include:

1. The continuation of a comprehensive education programme on health insurance.

Madam Speaker, as I come back into the Ministry for the second time, this is something that has been lacking from all fronts. The health insurance providers, when health insurance was formed back in the mid to late '90s, were allowed 'cherry picking'. They had the opportunity to provide a service, but, sadly, they did not share with the public how to access the benefits, what to have, health insurance coverage and what it meant to them. Many of our people are still wondering what they should do, how to access it, which doctor to go to, what the benefits are, the co-payments, or whatever. I encourage the Health Insurance Commission to use their public relations (PR) since some of the private sector does not do too much about it, to take that on.

2. Review of the standard health insurance fees which were introduced and implemented on 1 August last year.

3. Increased enforcement regarding the requirement under the Health Insurance Law for employers to effect health insurance coverage for their employees.

Madam Speaker, we all have heard some of the horror stories of people where it is alluded to that they take out the premiums and when an individual really needs this coverage, lo and behold, it is discovered they are not covered. However, as we go forward, Madam Speaker, I can assure you that we are going to be clamping down on these. I think there are one or two prosecutions that are actually coming up in the Courts. Hopefully, this will send a message to the providers.

The Health Practice Commission

The Health Practice Commission, which advises me, as the Minister of Health, on policy matters relating to health practice in the Islands, will commence a programme for inspecting laboratory facilities within the Islands. Just last week, Madam Speaker, my Chief Officer recently attended the graduation of two employees of the Health Services Authority (HSA), who graduated after completing a training programme on clinical laboratory and quality management, organised by the Caribbean Epidemiology Centre (better known to most of us as CAREC). I am excited their expertise will be utilised when developing a national laboratory strengthening project.

The four medical councils will continue to be responsible for registering medical practitioners in accordance with the Health Practice Law. In addition to regulating registered practitioners, professional conduct and discipline, the councils will be establishing the number of continuing medical education hours required by practitioners.

Madam Speaker, this brings me toward the end of responsibilities within the Ministry. I would like now to briefly speak, generally, about Bodden Town.

Madam Speaker, for the first time in a long time, Bodden Town has three representatives going in the same direction, for the right reason—above all, to serve the people who put us there.

Madam Speaker, the three of us have worked very effectively, and I want to pay special tribute to the Third Elected Member for Bodden Town as I watch him and listen to him here in the Parliament, and what he has taken on. He is a born representative, an educated representative, a knowledgeable representative. I saw him, Madam Speaker, in a matter of weeks after being elected, accomplish certain projects that I and others had begged and pleaded for. I am specifically referring to the road up by the Bodden Town Primary School. People went on the air and said it was going to be done and, Madam Speaker, I was blown away.

Just afterward I went up there, and because of him . . . he has a way of harassing, but you see one good thing about this Government, we have the Minister of Works and he knows that the Third Elected Member for Bodden Town—you heard about a tenacious guinea pig, or whatever—he will hold on to him.

I want to thank my colleague, the Minister of Tourism, as we sit in Cabinet and make decisions. You see, this is the beauty, Madam Speaker, of unity: unified for the right reasons, not about where or what can be accomplished for egos or for anything else.

As I drove across from the Glass House this morning and looked at the road works being done, going up there, from the time I was in there 10 or 12 years ago, that was talked about. Now, the action Minister, the Minister of Works . . . I do not know where he gets the energy from, Madam Speaker. He seems to be all over the Island. Once again, he is doing it for the people, as he alluded to yesterday—West Bay, every district, Cayman Brac—and this is what leadership is about, Madam Speaker. When we do it for the right reason, we do not have to worry about getting elected next time. The people know what to do. They know!

As many have found out in recent times, as I said yesterday, there are only five of us that have been here for more than two terms. Madam Speaker, being in Cabinet takes up much time, but as we become more organised, the three of us will be spending much more time in our district, but we are putting together programmes—buildings, the gully.

Madam Speaker, I remember way back when I actually had \$65,000 in a project with the assistance of Public Works. That was seven, eight or nine years ago. The money fell away and nothing was done. However, as we saw the stark reality after Hurricane Ivan, we can no longer wait to do something about this. Those people suffer; those up pass the church, pass Domino's Pizza, up to the Lower Valley area, crossing over and going down into Newlands. Madam

Speaker, once the wind pulled to the south there, a lot of wind like we have seen from Hurricane Ivan, that road has become impassible, but I am glad to know that we have a Minister that is dealing with this.

I am reliably informed by the Minister that he has planned a meeting for 30 and 31 July, to meet with the people of Savannah and the area there, because in the last hurricane there was an area that got flooded by the Adventist church, which brought great concern because, in my lifetime, I had not seen it. Others say they have seen it before, and it has disturbed me greatly what has happened when the gully was excavated right down to the bedrock. May God help us that nothing comes too soon because it is just going to be one free run coming through there, heading up to Lower Valley and probably into Bodden Town if this is not dealt with promptly.

However, I know, Madam Speaker, that we will come to the right resolution. It cannot be done haphazard; it has to be designed properly because if we do not have knowledgeable people dealing with this, in consultation with the people that live in the community, it could become a horror story because if that water then gets trapped on the land side and cannot flow back out, then we are in a heap of trouble.

Madam Speaker, the Savannah Post Office, the new one, I want to thank the Minister for including that when funds are limited. We all know the area—Savannah, Newlands, Bodden Town—is the fastest growing district on the Island, and I guess people will soon be sick and tired of hearing that. However, I am pleased to know that that will take place shortly.

Madam Speaker, we talk about a link road from Newlands going on down through the back, to try to help alleviate the traffic congestion in the Tall Tree area. I look forward to that, Madam Speaker, but I must say once again: back to my action Minister. From the time Jesus was on the beach we have been trying to get a 15 mile-an-hour speed zone by the school, and finally we got it. It is amazing the difference that has made with the traffic. Up until this morning, I left home at 7.30 am, because I had a nurse's meeting down at the Marriott Resort Grand Cayman, and I could not believe how it slows the traffic down there, which spreads it out further down, and when you get to Prospect the same thing happens. Before 8 am I was down at the Marriott Resort Grand Cayman. It makes a difference, but if you do not take a chance, you do not know what can come out of it.

Madam Speaker, as I say, it has taken us a while to get these plans together for Bodden Town, but some good stuff is coming to Bodden Town because we work together as a unit. We work together for the people. A fire station is planned for Bodden Town, a police station, the emergency services centre, a vehicle inspection centre that my Minister of Tourism is pushing for. This is going to make life a whole lot easier for us in the eastern district where, at one time, they said the Island ceased in the area of Red Bay. There is hope for us, Madam Speaker, and

in working with this team, there is no doubt in my mind that we are going to get this done, but all done for the right reason.

Back to another area that I have had representation on, and I will discuss the way forward with my colleagues, the Honourable Financial Secretary, and, under the new Public Management and Finance Law, whatever else has to be done in this area. There are a number of our senior citizens, Madam Speaker, who survive on a financial allowance given by government of approximately \$450, when they then have to turn around and pay \$100-and-something for garbage fees and other odds and ends, medicine, whatever, it is difficult for them to survive. A couple of days ago a number of them had called me after getting threatening letters from the different departments. In the past, I have written and asked for due consideration, and maybe I actually should not be doing this since I am a Cabinet Minister, but I just want to let these people know that we will help them, whatever it takes, because I see the great difficulty some of them have with no support from immediate family or their neighbours, and we intend to deal with this. Many of them, Madam Speaker are in their 80's. Imagine being 80-something years old, Madam Speaker, and you get a letter saying, 'We are carrying you to court'. Geez! Not so good!

Madam Speaker, the next one coming up is one of my pet peeves. I know my able and capable Leader of Government Business' ears will prick up. Once again, the new government administration buildings— We, under his leadership, have decided and have taken the bull by the horns. We are going to put that forward because when you are paying over \$5 million in rent, something has got to be wrong if you cannot find a mortgage or something to pay less than that. So, we are going to go forward with that. The only thing that I continue to beg for, from my Tourism Minister and colleague, is just to get a little bit further out of George Town. Maybe the way I look at it is different, but I am convinced, and I honestly believe it would make a dramatic difference in traffic because it is estimated that one of those buildings has between 450 to 500 vehicles there. If you take that many off of that road coming west all the time every morning, no matter where you are coming from, it can make a difference. However, we are not going to argue, we are not going to fall out about this, but I would continue to ask that consideration be given.

Madam Speaker, the area of cemetery space in Bodden Town was touched on earlier by the Minister of Works in his debate. The cemetery at Pease Bay is just about filled up, so I am looking forward that when a new area is identified—I know that there was something in the Budget for some time now and projections have been made, but I am hoping that we can soon deal with this because it is rapidly filling up. I am reliably informed, Madam Speaker, that the last government may have purchased a piece of land in the Pease Bay area (I hear it is swamp, I do not know

how we are going to deal with that). I know it will be dealt with in due course and whatever needs to be done, we will have an area to deal with.

Madam Speaker, with your permission, I now shift again to the area that affects all of us; Caymanians, and the future of these Islands, and the way that our children are growing up, the effects and what is happening, not only here but in the States. So, with your permission, Madam Speaker, I want to read from an article, which I will table if you ask me to. It was an email sent, which came out of a House Judiciary Committee's subcommittee on the Columbine High School. I just hope that we, as parents, as responsible adults, listen to this, understand what we can be facing. If we do not take on the God-given responsibility of raising our children . . . and I may rub some of my colleagues here on the outside. There was a policy advocated about the 'village raising the child'. I do not fully agree with that. If they see my child doing something, correct him, but, Madam Speaker, we have some characters out there in the village that will give our children drugs, alcohol, cocaine or ganja. I do not want them raising my child, or my grandchild! The molestation, we have seen what is happening. We have to take the responsibility of our children.

As I read this, yes, there are times when we cannot be there, ever present with them, but let us do our best. I will read from this House Judiciary Committee's subcommittee of the United States, with your permission.

"On Thursday, Darrell Scott, the father of Rachel Scott, a victim of the Columbine High School shootings in Littleton, Colorado, was invited to address the House Judiciary Committee's subcommittee. What he said to our national leaders during this special session of Congress was painfully truthful. They were not prepared for what he was to say, nor was it received well. It needs to be heard by every parent, every teacher, every politician, every sociologist, every psychologist, and every so-called expert! [Boy, do we have them in Cayman!] These courageous words spoken by Darrell Scott are powerful, penetrating, and deeply personal. There is no doubt that God sent this man as a voice crying in the wilderness.

"The following is a portion of the transcript [of some of the things he said]: 'Since the dawn of creation there has been both good and evil in the hearts of men and women. We all contain the seeds of kindness or the seeds of violence. The death of my wonderful daughter, Rachel Joy Scott, and the deaths of that heroic teacher, and the other eleven children who died must not be in vain. Their blood cries out for answers.

"The first recorded act of violence was when Cain slew his brother Abel out in the field."

That is for those of us who believe in the Bible. There are some that do not, but I do. And I believe the Bible was inspired by God. If you believe it is not true, Madam Speaker, you just go ahead and read

Ezekiel and Revelation. If you do not want to see what is panning out in the Far East, in the Middle East, and so on, it is almost like a puzzle falling in place.

"The villain was not the club he used. Neither was it the NCA, the National Club Association. The true killer was Cain, and the reason for the murder could only be found in Cain's heart.

"In the days that followed the Columbine tragedy, I was amazed at how quickly fingers began to be pointed at groups such as the NRA [National Rifle Association in the States]. I am not a member of the NRA. I am not a hunter. I do not even own a gun. I am not here to represent or defend the NRA – because I don't believe that they are responsible for my daughter's death. Therefore I do not believe that they need to be defended. If I believed they had anything to do with Rachel's murder I would be their strongest opponent.

"I am here today to declare that Columbine was not just a tragedy – it was a spiritual event that should be forcing us to look at where the real blame lies! Much of the blame lies here in this [Judiciary Committee] room. Much of the blame lies behind the pointing fingers of the accusers themselves. I wrote a poem just four nights ago that expresses my feelings best. This was written way before I knew I would be speaking here today:"

He says, **"Your laws ignore our deepest needs, Your words are empty air. You've stripped away our heritage, You've outlawed simple prayer. Now gunshots fill our classrooms, And precious children die. You seek for answers everywhere, And ask the question 'Why?' You regulate restrictive laws [We have done some of that here too in Cayman], Through legislative creed. And yet you fail to understand, That God is what we need!"**

That was the end of his little poem, Madam Speaker. It goes on:

"Men and women are three-part beings. We all consist of body, soul, and spirit. When we refuse to acknowledge a third part of our make-up, we create a void that allows evil, prejudice and hatred to rush in and reek [sic] havoc. Spiritual presences were present within our educational systems for most of our nation's history. [I do not know how to tell you what has happened in the great United States. It is falling apart from within, just because of the path they are travelling.] Many of our major colleges began as theological seminaries. This is a historical fact. What has happened to us as a nation?"

This is where it scares me, when I see some of the things in our Cayman Islands.

"We have refused to honor God, and in so doing, we open the doors to hatred and violence. And when something as terrible as Columbine's tragedy occurs – politicians immediately look for a scapegoat such as [in this instance] the NRA. They

immediately seek to pass more restrictive laws that contribute to erode away our personal and private liberties. We do not need more restrictive laws. [The two young men:] **Eric and Dylan would not have been stopped by metal detectors. No amount of gun laws can stop someone who spends months planning this type of massacre. The real villain lies within our own hearts. Political posturing and restrictive legislation are not the answers. The young people of our nation hold the key.** [Hold the key, and this is why it is so important in our social fabric that we deal with our own young people, Madam Speaker.] **There is a spiritual awakening taking place that will not be squelched! We do not need more religion. We do not need more gaudy television evangelists spewing out verbal religious garbage. We do not need more million dollar church buildings built while people with basic needs are being ignored. We do need a change of heart and a humble acknowledgment that this nation was founded on the principle of simple trust in God!"**

You have observed what is happening there, as I said earlier, Madam Speaker. It is scary. All of these civil liberties' unions, and this right and that right and the next right . . . God have mercy!

Referring back to his son Craig lying under that table in the school library— **“. . .and saw his two friends murdered before his very eyes—He did not hesitate to pray in school. I defy any law or politician to deny him that right! I challenge every young person in America, and around the world, to realize that on April 20, 1999, at Columbine High School prayer was brought back to our schools. Do not let the many prayers offered by those students be in vain. Dare to move into the new millennium with a sacred disregard for legislation that violates your God-given right to communicate with Him."**

It is rampant in the States now. You can give out condoms in school, you can read about and watch Harry Potter, but you cannot read about the Bible!

"To those of you who would point your finger at the NRA – I give you a sincere challenge. [This is for us all, Madam Speaker, far and near, throughout the world.] **Dare to examine your own heart before casting the first stone! My daughter's death will not be in vain! The young people of this country will not allow that to happen!"**

We, as a nation, are losing our power because we are not going to the source of all power – our almighty God.

Madam Speaker, in winding up, much is said about the great cost of living. What is happening, and we all know, the biggest driving factor is the cost of fuel. Madam Speaker, it is going to get worse. A couple of mornings ago I was watching Cable News Network (CNN). There was an article from the United Kingdom. You think we are bad? They are paying over \$6 a gallon for petrol. I do not want to be a

prophet of doom, Madam Speaker, but it is going to get a lot worse.

Many of us may not be absorbing what is happening in the Middle East with Iran. Madam Speaker, beware! As we all know, Madam Speaker, Iran is desperately eagerly trying to get nuclear power. Madam Speaker, they supply a whole bunch of oil to the world, and they have said that if the United Nations does any sanction against them, they are going to restrict the supply of oil.

Madam Speaker, to me, that is economic blackmail, and the United Nations . . . what a joke! The only thing they remind me of, Madam Speaker, is my colleague for East End when he talks about a Doberman with dentures! They have not done anything successful that I know of in ages. Wasting nations' money and talking, talking, talking.

Madam Speaker, the situation we are dealing with in Iran, as I alluded to earlier on, and I will soon close . . . I know my colleagues call me the preacher or whatever—the chaplain. However, with your permission, I just want to read just a couple of paragraphs from *Jerusalem Countdown*, and this was written a long time ago and it is now just coming together.

These are the kind of people we are dealing with. As I have always said, with Iraq and everywhere else, how can you deal with people that have no value on life?

Just weeks after his election, Mahmoud Ahmadijhad, the new President of Iran, addressed a conference in Teheran, which is the capital of Iran, entitled "A World Without Zionism", and declared that **"the occupation regime of Qods [Jerusalem, or Israel] must be wiped off from the map of the world, and with the help of Almighty [Allah], we shall soon experience a world without America and Zionism, notwithstanding those who doubt."**

He contributed to his inflammatory comments by saying, **"To those who doubt, to those who ask is it possible, or those who do not believe, I say accomplishment of a world without America and Israel is both possible and feasible."**

Madam Speaker, many of us hear what is going on, or see what is going on; but when we get to the root of this whole situation, it scares the daylights out of me. You are dealing with people for whom life has no meaning, whereas in our western culture, to be alive is the ultimate thing.

They have no concerns. As a matter of fact, it is joy for them to strap explosives to themselves and go into an area, whether it is a restaurant, or a hotel, or a cinema, and blow themselves up and kill dozens and dozens of people. These are the people we are dealing with some of the times when I hear some of my colleagues say how they feel about some of these areas, because they have studied this for a long time and it is not good, Madam Speaker. It is not good, and the worst is yet to come! I hope I am wrong.

"Iran has indicated that it will never again suspend conversion of uranium ore, and it has

rejected a resolution from the UN's [United Nations] nuclear agency urging it to stop the conversion of uranium at its atomic plant in Isfahan."

This is the next scary part, Madam Speaker. ". . .Russia (at one time one of the most powerful nations on earth) has announced 'a dramatic expansion of its cooperation with Iran on building nuclear power plants, ignoring Bush administration concerns that the program could help Iran build a nuclear bomb.'" Although Iran has denied that it is developing nuclear arms, sources indicate that it could have a nuclear bomb early this year.

Finally, Madam Speaker, "**All indications are that Iran is moving full-steam ahead to do this. According to a confidential report [and listen to this!] by the UN's nuclear watchdog agency obtained in September 2005, Iran has produced almost 15,000 pounds of the gas used to enrich uranium.**"

The report concludes: "**Iran has converted raw uranium into about seven tons of gas called uranium hexafluoride that can be used to make atomic weapons. Former IAEA [International Atomic Energy Agency] nuclear inspector David Albright said in a telephone interview from Washington that the amount would be enough for one atomic bomb.**"

Madam Speaker, many people will ask why I bring these situations in, but we need to understand why the cost of living is going to get worse. I mean, the great United States, with their liberal desire to save the forest, many millions of reserves of oil deposits in certain areas, but to save a couple of birds, or owls, or chickens, or something, they will not let them drill further and find out about it. Madam Speaker, we better get ready. We better get ready.

Finally, Madam Speaker, as I leave this area, sobering thoughts, and I pray to my Heavenly Father that what I have said never happens, but eventually it will come. It will come because it is talked about in the Bible, and no matter how confused some people may be about interpretation of the Bible, it is not going to be telling lies. It is all there. As you read how it unfolds, it is, just like I said, a jigsaw puzzle, as it goes together we see the big picture.

I want to thank my Chief Officer, Madam Speaker, and all the staff in the Ministry and departments for their hard work and dedication, to assist in the humanitarian needs of our people over the difficult times in the last few years. I know with the support of this Parliament, we are going to make a difference in the Cayman Islands to our people.

Finally, I would like to close now by underscoring the importance of the Ministry of Health and Human Services. This Ministry has a huge responsibility in that it provides services that are vital to the wellbeing of our people. On the Human Services side, Madam Speaker, there is no income. We are giving. We are helping the seamen, the veterans, financial assistance to those elderly and vulnerable, to the chil-

dren, rent. Madam Speaker, I am confident that, together with the support of every Member of this Honourable House, we can overcome the many physical, social and mental ills plaguing our communities.

Madam Speaker, it will come with our trust and faith in God. However, the day that we decide to do like what is evolving in the United States, it will be a sad day, Madam Speaker, and there are areas where I have seen it. 'Dog eat our supper'. May God bless us all. Thank you.

The Speaker: That concludes the debate on the Throne Speech and Budget Address. I will call on the Honourable Leader of Government Business for his reply to the Throne Speech debate.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker.

Madam Speaker, my colleagues, both the Ministers and our Back Bench have spoken on the vast majority of subjects under the ministries, and some discussion has taken place on those subjects for whom the Official Members hold constitutional responsibility. Madam Speaker, before I speak to some of the subjects in my Ministry, it is incumbent upon me to speak to some of the areas that the Opposition mentioned in their various contributions. I am certain the Honourable Third Official Member, when he is winding up the debate on the Budget Address, will speak to some of these areas. Nonetheless, I want to take the opportunity to explain to the country certain specific items, to ensure that the Opposition's lame attempt to either mislead or misguide, or (if I am kind enough to say) by their lack of understanding, may have misguided the public.

First of all, Madam Speaker, when the Second Elected Member for West Bay decided that he would lead the charge from the Opposition, he spoke about some of the concerns that he had with this Budget. Of course, Madam Speaker, not being a betting man, let me not say I will bet, let me say I am extremely confident that even though he made a lame attempt, if one were to ask him off the record what he thought of this Budget, he would quite readily say this is the best one he has seen.

Madam Speaker, the Second Elected Member for West Bay tried to let the public believe, when he was quoting figures from the Budget, that the revenue measures, along with the projected revenue, were not doing the job that the Honourable Third Official Member outlined when he delivered his Address, and I will be specific with it. The Second Elected Member for West Bay spoke to the operating surplus of \$32.5 million. Then he spoke to the revenue measures of \$23.3 million. Then he said, and he quoted from previous public utterances from the Government, that the Government, when these revenue measures were brought, was not about to use any of that revenue as operational expenses.

So, Madam Speaker, when he quoted that, he was trying to say that since the operational expendi-

ture for 2006-2007 is projected to have an increase, and since there is an operational surplus projected of \$32.5 million (\$23.3 million of which was the revenue measures), he tried to give the public the impression, even if not by directly saying so, that what we had said was not going to be the case, that actually some of this revenue would have to be used because he quoted the increase in personal emoluments and all of that. At the same time, Madam Speaker, with tongue-in-cheek, in speaking about the increase in operational expenditure and a fairly large portion of that being personal emoluments, when he is through with all of his pontifications, he turns around and he keeps asking the Government to provide more, in the same breath.

Of course, what he is really saying, Madam Speaker (if I am to follow the logic he put forward), is that we must get people to work free, so we must provide all the services the country asks for, but, of course, there should be no expenditure at all.

Madam Speaker, let me quote the facts, because he did not even mention—and I have told him this before, on the Floor of this House, that anyone else in the Opposition is easily forgiven when they quote figures, but not him because he is the qualified accountant, and he is the qualified accountant who all of us have confidence in with regards to not only his qualifications but his abilities. So, Madam Speaker, with all of the confidence that all of us have in him, he is going to stand on the Floor of the House and say what he said, leaving out certain figures conveniently because, as I said, I cannot believe he forgot. Neither can I believe that his astute ability to analyse suddenly disappeared from him.

Madam Speaker, the facts are that the projected revenue for 2006-2007 is increasing up to \$442 million. I am using rounded figures, Madam Speaker. The Honourable Third Official Member will be more specific than I am. When he chose not to mention the increased projected revenue was the only way the logic he was putting forward could work . . . In other words, Madam Speaker, when he put all of these figures together, he was “pretending”, and that is the only word I can use. He was pretending as if the revenue remained the same as 2005-2006. However, Madam Speaker, the projected increase in revenue (although there is an increase in operational expenditure and the revenue measures, along with the borrowings and the total capital expenditure) paints the picture like this:

Madam Speaker, the 2006-2007 capital investment programme of \$130 million, will be funded by a combination of cash, borrowings and operational surpluses. The Government has sought to borrow \$94 million in the 2006-2007 fiscal year, but after we factor in repayments of existing loans during that period of over \$17 million, the net cash flow from the borrowings will be just under \$77 million and that amount will be used to help finance the \$130 million capital investment programme.

Madam Speaker, the facts are that in addition to \$52.92 million in net cash flow from our operating activities, only \$0.25 million from existing cash balances, along with that borrowing, is going to allow for the \$130 million worth of capital expenditure. So, we can almost disregard the \$250,000 that will be used from existing cash balances, and we can say, Madam Speaker, that after paying on our loans (central government borrowings that exist), out of our operational revenue and the revenue measures that we are seeking to put in place, we will be using \$77 million of borrowings and \$53 million of operating activities to fund the \$130 million of capital expenditure. Then, Madam Speaker, when all of that is over, there is a \$32.5 million operating surplus.

So how, in God's name, can the Second Elected Member for West Bay in any form or fashion, by innuendo or by direct statement, try to make the public believe that of the revenue measures, we, as a Government, were not sticking to our word when he said that the revenue measures would be used to either deal with new services or new capital expenditure?

Madam Speaker, he understands perhaps a little bit better than I do that when we speak to an operational surplus, it does not mean that the Government has \$32.5 million in hand that they can do anything they want to do with.

I know he is nodding his head, I know he knows, Madam Speaker.

I am not going to dwell for a very long time on that, but, you see, I understand the role of the Opposition. I have lived there long enough. The only thing I would say to him, Madam Speaker, is that not all times does it take an accounting degree to understand and be able to sensibly discuss a budget.

So we, on this side, Madam Speaker, although we have the able and very competent association with the Honourable Third Official Member, and the Portfolio, and all of the team, we do understand within our Ministries, and with the big picture, where the Government needs to sit at the end of the day of a Budget, once it is possible and what is in the best interest of the country. Madam Speaker, I will not dare him, but it would be a pleasure to hear him at some point in time say, ‘Yes, Sir. I know exactly what you are saying. You are perfectly right, but I had to say what I had to say because of where I sit.’ Enough said on that, Madam Speaker.

Madam Speaker, the Leader of the Opposition, in his—as I said before, when he talks about a budget, I know that he has to put it his way, so I will not go into specific figures with what the Leader of Opposition says to try to say how there is no forgiveness for him. When he spoke about the actual Budget, Madam Speaker, he said that the Government has delivered a balanced budget because the UDP had left finances in such a way which allows for it. Madam Speaker, the Leader of the Opposition says that, and then he says, perhaps not in the same breath (he took

a couple of breaths in between I believe) but not very long after that he spoke to, 'How come all of this borrowing?' I think his favourite terminology has been 'tax, borrow and spend'. Tax, borrow and spend.

Madam Speaker, this \$23 million revenue package that we have brought is sensibly based on a four-year projection of being able to achieve the Government's policies, which includes a capital works programme that is spread across the entire society for the benefit of the country. The \$23.3 million, Madam Speaker, is not for the Government. While I accept that there are a few who would not wish for the Government not to have to do it, Madam Speaker, everyone needs to understand there is not one of these capital projects that we have to engage in that every single sole in the society is not clamouring for. They speak of roads; they speak of schools; they speak of the health services.

The Second Elected Member for West Bay is saying he cannot support the Budget because we are not looking out for the old people. Although, if he looks carefully in the document, Madam Speaker, he will see that your good district, we know, has needed a home for the elderly for a long time, and there is money in the Budget for that. We also understand that the existing facility in West Bay needs expansion and upgrading, and along with what I am told reliably by the representatives of West Bay, that they do have some private contributions, along with the \$200,000 that is in there, I know we can get the job done. So, Madam Speaker, even that I cannot forgive him for, because I know that he read the document carefully. I know we also gave them ample time. He did not have to scramble.

An Honourable Member: Like we used to.

Hon. D. Kurt Tibbetts: He did not have one day to deal with it. However, in saying that I cannot forgive him, Madam Speaker, it does not mean that I hold it against him. That is not what I am saying. I need him to understand that; it is absolutely nothing personal.

Getting back to the Leader of the Opposition when he talks about tax, borrow and spend. Madam Speaker, when we look at the eleven broad outcomes that we have started this term on, it was after the most careful consideration that we could give knowing the terrain at the time. We understand, and accept, Madam Speaker, that as the days, weeks and months go by that there may be a bit of shifting to those general outcomes we have placed where emphasis and priority have to be given to certain specific items. That has already begun to happen, and that will never change and we understand that. However, Madam Speaker, I am going to make an admission today to this whole world, and I am not afraid to admit it. Madam Speaker, this is the first in my life since I have been elected that I am totally comfortable being a part of the executive because we had a direction and we had a plan.

[Applause]

Hon. D. Kurt Tibbetts: The biggest mistake I made was in 2000, not realising that being a representative . . . and if you really wanted to make a difference we could not continue this where one gets elected and tries to become a government, with everybody going inside and they are tearing each other apart because everybody had their own agenda. This country needs to understand that. I am not ashamed to admit that, but I will tell you what, Madam Speaker, and you know because you have been with me. I have learnt. I have learnt!

Madam Speaker, those who will say that we should not have become an organised group that had its own Constitution and moved forward, I am not going to defend that because of any personal reasons. I am going to say, Madam Speaker, that with the best judgment and knowledge that I have today, I saw no other way forward that made any sense. I also dare say that everybody in this Chamber knows exactly what I am talking about. I am not going into who did what and who did not do what and who said what. What is done is done!

Madam Speaker, this Government has a plan. If we are fair to all concerned, we know that politics is about interests. We know that! We accept that! However, we also understand that incumbent on any government is to have a plan and to try to satisfy all of those interests as best as possible, at the same time, understanding that there is a course and you must steer it and stick with it, and that is what we are doing.

The revenue package is to satisfy, Madam Speaker, the broad outcomes and the objectives that we hope to achieve within the term. The slated borrowings are projected and are affordable and they will help us to achieve (along with those revenue measures and along with what the projected revenue is for the country), not only satisfying the Public Management and Finance Law by having the correct level of reserves that the Law calls for, but also to achieve these goals, to stay within the borrowing limits and to not be uncomfortable with how much out of our general revenue we have to be paying loans.

Madam Speaker, it has never changed, and as I said, I lived on the Opposition long enough to understand. At any time you have that combination, the first thing that will be said is to frighten by saying you are borrowing too much, you are spending too much and you are doing this and you are doing that, none of which is right according to them. Madam Speaker, repetition bears emphasis. In the same breath, everyone still wants more services from the Government. 'There are still things that you are not doing enough,' but they are not prepared to accept that to even consider those things one has to ensure that the Government is able to pay for the services. So there we go!

Having said that, Madam Speaker, I need to address a few issues—

The Speaker: Honourable Leader of Government Business, would this be a convenient point to take the morning break?

Hon. D. Kurt Tibbetts: Yes, Madam Speaker.

The Speaker: Proceedings will be suspended for 15 minutes.

Proceedings suspended at 11.32 am

Proceedings resumed at 12 noon

The Speaker: Please be seated. Before I call on the Honourable Leader of Government Business to continue his contribution, could we just look at our watches when we take suspension rather than waiting for the Serjeant-at-Arms to constantly look for us, so we can resume within the time that we suspended for?

Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, just before I move on to where I was going, I realised and was reminded by one of my colleagues, that when I was beginning to speak of what the Honourable Leader of the Opposition had spoken about in a portion of his contribution, he has said, not only on the Floor of this Honourable Legislative Assembly, but in other public utterances and through the media, that when his government left, there was some \$82 million. He likes to round off figures very generously because he calls \$82 million \$90 million. That is the latest version he had of it. However, it was some \$82 million in total cash reserves. Of course, none must get the wrong impression, Madam Speaker. When we speak of that, again, that means that the Government has access to all of those funds, because there is a combination of various funds, including general reserves, which culminate in that figure.

I just want to point out, Madam Speaker, that at the end of 2004-2005, with this figure that he quoted of some \$82 million, even though when this Budget was prepared it projected some \$71 million as reserves at the end of the 2005-2006 year, at the end of the first year of this Government. The fact is, Madam Speaker, the revised figures show that there will be some \$89 million in all of the reserve funds. So, it is much better than the projections.

Madam Speaker, one of the reasons for that, not all of the reasons, but one of them was simply because the projected borrowings for 2005-2006 were \$63 million, and in actual fact, there will only be a draw down of some \$24 million by the end of June this year. The reason for that, Madam Speaker, is because some of the capital projects that have been planned and that we are moving forward with, Ministers and Cabinet, generally, realised that to rush is

one thing, but you cannot rush headlong without being informed or prepared. For instance, like the schools, the preparation stage of that (up until last night there was a meeting we had on that) is taking a little bit longer, and hence there were less borrowings in 2005-2006 than anticipated, which is why the borrowings for 2006-2007 are projected at \$94 million.

However, Madam Speaker, all tolled, again, contrary to the way it was put forward by the Opposition, the fact is, all tolled, projected for 2005-2006 was \$63 million and for 2006-2007 was \$89 million, therefore, Madam Speaker, that is \$152 million that was projected. Even if we borrow the entire amount for 2006-2007, Madam Speaker, the actual borrowing for the two years will not be \$152 million, but will be \$118 million. So, Madam Speaker, the truth is that at year end 2006-2007, we will have borrowed, with all that we have planned, \$34 million less than the original projections.

That difference, Madam Speaker, is good news, but the reasons for that are: the ability of the Government to use revenue at a higher proportion for the capital projects and to borrow less. Madam Speaker, I am absolutely certain that the Second Elected Member for West Bay must be elated upon hearing that. He must be. So, we need to make sure that we have the correct picture, the true picture, Madam Speaker. Again, Madam Speaker, just to make sure, even if all borrowings for 2006-2007 are used up, at the end of that fiscal year we are at \$34 million less in our total borrowings. Madam Speaker, if that is not prudence, I do not know what is.

Madam Speaker, I now want to just take a few minutes and clarify other things that were said during the debate, and I want to just refer to and clear up a few issues which were brought to the attention of the Legislative Assembly during the contribution of the First Elected Member for Cayman Brac and Little Cayman. Madam Speaker, there were some questions raised about Cayman Brac and Little Cayman's affordable housing, and there are two very specific questions that I want to deal with. One, the point raised by the Member with regards to the application forms for Cayman Brac and Little Cayman's affordable housing. She quoted what I said in an earlier time here in the Legislative Assembly. Madam Speaker, the fact is that the Board has been charged to have those application forms completed by their meeting of 19 May. The application forms are not yet completed, but they have assured us that they will be completed by 19 May.

When individuals who expressed interest prior to this were told to write to the Chairman of the Board, I had said District Administration. Obviously, at a subsequent meeting they thought it might be better channeled instead of just going to District Administration, and maybe getting in the midst of all of their workings and correspondence. They have advised that the individuals should write to the Chairman. I am not going to argue with the logic that they have displayed on

that, it is just that at the time I was told District Admin. However, Madam Speaker, the purpose of the letters, when people are enquiring about it, is simply that those who make enquiries and say that they are interested, and wish to make an application, as soon as the applications have been completed and are ready for people to actually fill out, those people who have done so will be sought out and given these applications. If it is via the mail, they will get it. In the Brac it is easy to find who you need to find, and those individuals will be given applications, so they can make sure they have the application to fill out.

Madam Speaker, I do not see a problem with that. In other words, the point that the First Elected Member for Cayman Brac and Little Cayman was seemingly making was that it was very difficult for these people, some of them, to write letters. No one was saying you have to write a letter. If that was what people understood it to be, then on behalf of whoever told it to them, I have to apologise, but that is not the intention. As I understand it, Madam Speaker, the letters are simply to keep a track of those who are interested so that when the application forms are ready, the Board can be proactive in getting them back, rather than someone not knowing and having them in limbo. Of course, it will also be advertised that the applications are available wherever they will be available.

The second thing, Madam Speaker, I have to tell you is very troubling and I realise it is not easy for me where I sit to get the answer that I can say, well, unequivocally, this is how it is. The Member spoke to how certain individuals have shown their interest in the affordable houses, and some of them were told that they should not try to get one of those that will be built behind the West End Primary School, they should go up to the ones that will be built at a location at Watering Place. Madam Speaker, as I understood what she was saying, it was trying to imply that maybe these people were not good enough to live in the West End area, so they were told they had to go up to Watering Place.

Madam Speaker, I found it very disturbing. All that I am told tells me no one said such thing, but in fairness, I cannot stand here and say nothing was said of that nature because I really do not know. All I can say is this: I can guarantee the Lady Member and the listening public that no such thing will happen. Now, that I can guarantee, because if there is any evidence to be provided, when those applications are being reviewed, that anything like that is taking place, then I will do what is necessary to make sure and prevent that.

Madam Speaker, I do not want to talk about it forever, to make more of an issue out of it than it may really be because I do not know how much of an issue it is, in all fairness. However, I want to say that certainly, the Lady Member knows that those instructions would never be coming from the Ministry, or I dare say from any official source in District Admin. If at any

point in time there is anyone who wishes to give me clear indication of such an occurrence, I will deal with it. Madam Speaker, while I am in Cayman Brac, I am going to ensure that I speak to those involved, to just walk through those situations to make sure that people understand that is not what this thing is all about.

We are all one and the same. When the Lady Member speaks to humble begins and such the like, Madam Speaker, she also knows where I come from. I did not have a brass, silver or gold spoon, but how I was brought up, we are all one and the same. The same love that she speaks about, that is how I was taught. So, Madam Speaker, I just want to make it very clear that if there is anyone who might misunderstand her line of debate, or whether perchance there was any attempt by the Lady Member for anyone to draw the wrong conclusions, nothing could be further from the truth. In fact, Madam Speaker, I need to clear something up because, obviously, there is something. I cannot quite put my hand on it yet. There is something happening with the dynamics, which has created some type of division.

Madam Speaker, the facts are that when the Elections were going on, as is usual (and it certainly is not strange to us), people chose different associations, different sides. Nobody forced anybody to do anything. Some people won, some people lost, as will happen in any election. So, when elections are over, Madam Speaker, I have learned (and, Madam Speaker, I dare say that regardless of anyone's pain, nobody learned any harder than me) that you cannot live with these things carrying around all day long because they will soon drop down. When those things are over, they are over until next time. People still do what they have to do. You have an Opposition in the Legislative Assembly, you have a Government, and everybody does what they have to do and we need not take it personal, Madam Speaker.

I want to assure the Lady Member for Cayman Brac and Little Cayman that at no time since the Elections have I ever tried, for one second, to exclude her from any activities official in the Brac, and with regards to anything to do with the Ministry. I will tell her now, Madam Speaker, if there are specific situations with individuals in Cayman Brac and Little Cayman that I can be of assistance with, she is quite welcome to ask me about it, and if I can help I will help. You see, Madam Speaker, if I live any different, then I do my job a disservice, because it is not about 'to the victor go the spoils'. When the political victories are won, it is still the same people that you have to serve as representatives, no matter what your position is, whether you are on the Back Bench, whether you are in Opposition, or whether you are in Government. I would want to believe, Madam Speaker that the Member knows I am not built like that.

Madam Speaker, the Member referred to protocol and, in some way, her being slighted in regards to whatever communications because of the fact that she is the First Elected Member for Cayman Brac and

Little Cayman, and recognised as that, and that the Second Elected Member for Cayman Brac and Little Cayman is not on the Opposition but sits with the Government. She wondered, Madam Speaker, if there was a change from protocol as to why in correspondence the name of the Second Elected Member for Cayman Brac and Little Cayman was put first before hers on an email. She may not have mentioned email, Madam Speaker, but when I tried to investigate as to the specific incident she referred to quite recently, I found out that it was an email.

Before I go to the email, I want to put the whole picture together, because she also questioned whether I, as the Minister of District Administration, had delegated authority and ministerial duties to the Second Elected Member for Cayman Brac and Little Cayman. That too, Madam Speaker . . . I know how the debate goes, but she knows better. With all that has happened to me, I am careful when I go to the bathroom, much less anything else. So, Madam Speaker, I want to disavow any thoughts about that, and I want to let the Lady Member know that the same way that I may deal with the Second Elected Member for Cayman Brac and Little Cayman with regards to either district issues or constituents issues is the same way that I am quite prepared to deal with her.

Madam Speaker, the Lady Member knows that I have always . . . although, personally, I cannot swear to every occasion because I do not do the invites personally, but instructions were given from the very beginning that there should be no separation with regards to the representation from the district and the involvement of both elected Members, and, Madam Speaker, that will continue. Tomorrow is another day!

The other thing, Madam Speaker, that I want to say—and I really hope the First Elected Member for Cayman Brac and Little Cayman understands this—I have learnt in this business that any time you allow personal feelings to either affect your judgment or to affect the discharge of your duties, the only people that get hurt in that process are the constituents. Therefore, Madam Speaker, if we are responsible about our duties as representatives of those constituents, we do not allow that to happen. I want her to remember that and I want her to understand that I do not do that, and I will not do that, regardless of the temptations, Madam Speaker. I will not!

Now, I respect the fact that there may be individuals involved in certain processes which may give certain impressions of that nature. Madam Speaker, that Member knows like every Member in here, and yourself too, on many occasions there is hardly anything you can do about that, except let it be known; 'This is how I want the show to run' and you just have to keep dealing with that on a daily basis.

The First Elected Member for Cayman Brac and Little Cayman spoke about lieutenants, propaganda and the propaganda machine. Madam Speaker, I do not have any lieutenants. I have never quite gotten the hang of operating a propaganda ma-

chine. (I used to like fast cars more!) And with that I do not know what she is talking about. If she is referring to somebody else or some other people, fine, but I have no idea, not a clue. If the Lady Member will check my history, I do not put people up on my platform to make them talk about other people. If it happens, it happens coincidentally.

I have sat and listened to the wrath of others, Madam Speaker, so I know all about it, but I repeat, I do not live like that. I do not dwell on that. I get up every morning of my life and I go and do what I know I am supposed to do to the best of my ability. Madam Speaker, this ace in the pocket that I am supposed to always have . . . the Lady Member needs to understand that if I have any ace in my pocket at any time, it is only one ace that I hold and it is that same God that she says that she serves. Nothing else.

Nothing else!

Judge not lest ye be judged.

Madam Speaker, I just want to clear up the email. There was an email sent out to advise them about His Excellency the Governor's visit to Cayman Brac on 25 May. It was an email that was originally sent by the Governor's social secretary.

The original email was sent from Mrs. Wanda Tatum to Leyda Nicholson-Coe with her email address; to Liz Walton, the political assistant to Moses Kirkconnell; and to the First Elected Member for Cayman Brac and Little Cayman's email address, in that order.

Madam Speaker, the First Elected Member for Cayman Brac and Little Cayman replied to the admin officer at District Admin, Mrs. Tatum, and I am going to read the email. It says: "Good morning, Ms. Wanda. Thanks for the early notification of HE's Brac visit. I would be honoured to accompany him on his official tour of our Islands. I just wonder though, why is it that of late the Second Elected Member for Cayman Brac and Little Cayman seems to be designated priority in everything, including trivial protocol correspondence notifications? Has there, perhaps, been an unpublished or constitutional exaltation and/or amendment? Enquiring minds are desirous of knowing. Thank you for any light and/or clarification that you may be able to shed on this matter of protocol. Yours faithfully."

The good lady replied to the First Elected Member for Cayman Brac and Little Cayman: "Good afternoon, Ms. Julie. I am not sure if you meant this because I accidentally listed Liz for Mr. Kirckonnell before you, or if there is anything else you are referring to. However, I am not aware of any changes, and I apologise if I offended you in any way as this was just human error on my part."

Then there is something else that is irrelevant, I do not have to read.

There is another reply from the First Elected Member saying: "Hi Wanda, It is okay and I sincerely apologise for the harshness of my email. It unfortunately came in at a time when I was in the middle of two consecutive instances, or issues where the par-

ties acted with total disrespect to me as a representative, in preference to the Second Elected Member for Cayman Brac. Because of those two episodes, I thought that you were told by the powers that be . . . “

I repeat, Madam Speaker: “Because of those two episodes, I thought that you were told by the powers that be to change the protocol due to the PPM party arrangement, and not for one moment did I think that you personally did anything wrong. The email, by coincidence, just came to my attention at the wrong time, and I truly apologise if my frustration was reflected in my response.”

Madam Speaker, the reason why I read that is because, obviously, the Lady Member did not think there was anything personal, but she was querying if the PPM—I happen to be the political Leader of the People’s Progressive Movement. So, whether my name was called or not, any directive she may have wondered about, obviously, I would have had to have a hand in it.

Madam Speaker, I explained a few minutes ago the way I operate, but I must be totally honest and say that if the First Elected Member for Cayman Brac and Little Cayman ever thought that I would get as petty to do something like that, then when she refers in her debate on occasion about knowing me, I have to tell the Member for Cayman Brac and Little Cayman that regardless of whatever experiences she may have had in years gone by which she may have considered not to be the best of experiences when it comes to me, when it comes to things I have control over, I do not live like that.

Those thoughts do not even come to my mind. In fact, Madam Speaker, I went over a bunch of emails since then in a folder in my office, as they keep passing them on a daily basis for me to decide who I need to respond to, who is just for your information (FYI), or whatever. Not even 25 per cent of them, Madam Speaker, have my name first on the address list. Am I supposed to look at all of them and write them back and say, ‘Listen, if you are sending me an email, my name has to be first.’ I only make the point, Madam Speaker.

Whatever it is, that is poisonous I want to be excluded from it because I have no poison in me. That is this exercise in this part of my contribution. It may seem petty, Madam Speaker, but those things are important to me because, in my view, it questions my integrity, and I do not have much, but I have that. I just want to clear the air. I do not want anybody living with all of that in their minds because I do not have it in mine. I want us to get up tomorrow morning, and whatever we have to do we are going to do it and we will do it properly. There is room because someone is on the Opposition and someone is in the government to still co-exist. That is all I am saying.

Madam Speaker, the final thing I am going to say to the First Elected Member for Cayman Brac and Little Cayman: if there are any matters that she is dissatisfied with about how the system is working, I give

her my word of honour from hereon in. If it is something she wants to talk to me about but she would prefer it to be confidential, I can retain confidence. Whatever needs to be done to make sure that it works right, I will make sure that it does, all within the authority that I have. I do not want this to continue like that. That is not how it is supposed to be. End of story.

I was going to talk about embracing, Madam Speaker, but I want her to understand that this is my attempt to embrace now. Not to fornicate, to embrace. That is all the attempt is and it is genuine. I cannot say anymore. If I am not allowed to, then I cannot do anymore. Here we go: Madam Speaker, I do not need to be liked. I like to be liked, but I do not need to be liked. I need the world to be fair because I do not want to get it in my head that I should not be fair. That is all I am saying.

Madam Speaker, there are just a few of my subjects that I want to speak briefly on, and the first one is I do not think the Honourable House is aware of what I am going to talk about, and I think it is timely that I do so. I remember hearing the Leader of the Opposition speak at length and quote a document about disaster planning and such the like. I am not going to speak at any length about where we are now with regards to the National Hurricane Committee and the Oversight Committee. We will be dealing with that publicly in very short order. I can say now that the Steering Committee is meeting regularly, and all of the agencies are working feverishly, and, as you will have heard in His Excellency’s delivery, the new hurricane plan will be unveiled at the end of the month.

Madam Speaker, what I want to quickly refer to is the proposed Caribbean catastrophe risk insurance and the participation of the Cayman Islands in such an effort. Madam Speaker, we, like many other small island states, are highly exposed to adverse natural events including, most commonly, hurricanes, which can result in disasters affecting our entire economic, human and physical environment. Many small states often rely on extensive financing from international donors to finance post disaster needs, as their government’s access to insurance is often limited or non-existent because of the individually high transaction costs.

So, Madam Speaker, in response to the very increasing concerns about these vulnerabilities, the World Bank is currently working on a catastrophe risk insurance facility, which will allow small states, such as us, to buy what is called “parametric insurance” coverage against natural disaster risks. Following the devastation which was caused by natural hazards in the Caribbean in 2004, the Caribbean Community and Common Market (CARICOM) governments have been asking the World Bank for assistance with gaining access to affordable and effective disaster-risk financing arrangements. The World Bank has since then obtained assistance from the Japanese government to finance individual studies which, collectively, should allow the establishment of a pilot phase here in the

region. Once this is established, Madam Speaker, this experience could be extended to small states in other regions, including the Pacific and the Indian Oceans.

Discussions have already started on the foundation work, including the need for additional catastrophe-risk assessments for the regions involved. Just recently, the person who has been tasked to do the data collection for these risk assessments, Madam Speaker, a professor from the University of the West Indies, visited the Cayman Islands and met with the various relevant agencies. Madam Speaker, I also met with that individual, had a good long talk and he did all of the data collection and they are off and running when it comes to the Cayman Islands' participation in the programme.

Extending the pool, Madam Speaker, to small states beyond the Caribbean that face similar hazards will provide further opportunities for the diversification of risk thus lowering the cost of insurance. So, one might wonder, how far do they really want to go? However, Madam Speaker, the whole idea is, the further you can stretch it and have the individual risk assessments done, collectively, it would do better when it comes to what premiums each individual territory will have to pay.

I just want to before I go on, Madam Speaker, advise Members of the Honourable House that I became aware of this—and many of the Members here will remember when I attended a Foreign and Commonwealth Office (FCO) conference at Wilton Park in the United Kingdom in November 2004, just about two months after the hurricane. There was a presentation done at that point in time, Madam Speaker, when it was in its true infancy. So this catastrophe risk-insurance facility, Madam Speaker, is going to provide the participating governments with the following benefits: immediate liquidity in case they get hit by an adverse natural event such as a hurricane, and the facility would essentially allow small states such as ourselves to pool our risks in order to lower the cost of coverage. It will create assistance from donor countries who could contribute to the initial capitalisation of the pooling fund.

We would also gain access to additional risk capital through re-insurance and, Madam Speaker, this facility will provide claims payments depending on the parametric trigger; it will allow insured countries to pay annual premiums based on their own special exposure. That is why the risk assessments are being done individually, Madam Speaker, so that it is not just one base premium. Depending on the risk that you individually, as a nation, face is what your premium will be, and the facility, by offering a mechanism to access liquidities immediately after a natural disaster, will fill any gap in the range of instruments that are available to small states to manage their disaster risk. The trigger, Madam Speaker, would allow for immediate claims and payments to the Treasury – that is, for the Cayman Islands, the Treasury of the Cayman Islands.

The facility will combine the funding capacity of the donor countries and the global re-insurance markets. Donors' contributions will help countries pool their risk and partially shield the participating countries from high variability of the re-insurance markets, and it will provide sufficient economies of scale for small states to access the international re-insurance market where it is most efficient.

Madam Speaker, the results of the preparation phase, including a risk-modelling study, which was carried out by a risk modelling firm, and the risk financing study were presented to, and also discussed with, the countries' donors during a launch conference in April of this year, just a few weeks ago, Madam Speaker, and the Cayman Islands had very able representatives representing the Cayman Islands. The conference was held in Kingston. In fact, Madam Speaker, the conference was held on 28 April, the day of the Throne Speech. The Cabinet Secretary and the Head of the Budget Management Unit were tasked and they attended.

Madam Speaker, there is also potential as discussions have taken place thus far, for the Cayman Islands to be the domicile of the facility. As I understand it, the two countries that are being considered at present are the Cayman Islands and Bermuda. We will see how that goes, but just to say, Madam Speaker, this is now real, this is not pie in the sky, and it is anticipated that by the time the process is completed, 1 January 2007 is when this policy will be in effect. So, we are not going to have it for this hurricane season, but it will be ready for next hurricane season.

Madam Speaker, it will make a huge difference to the Cayman Islands being part of that pool when it comes to everything else that we can do with regards to disaster preparedness and mitigation. However, Madam Speaker, just how we were able to after Hurricane Ivan, the country may not always be in that position. The level of devastation may be different, we just do not know, and it is always better to know that while you have a certain amount of cash available by general reserves, and whatever other instruments the country might have, if you have such a policy, Madam Speaker, it makes all the difference in the world for the country's ability to bounce back as quickly after such a catastrophe as what happened to us in 2004. So, Madam Speaker, we will continue to inform everyone as progress is made in that.

The other one area that I want to speak about, Madam Speaker—and we have heard some talk about it, perhaps because we have not seen the unfolding of it quite yet. Maybe not so many feel the same excitement as I do, but Madam Speaker, I am extremely excited about the Agri-tourism project which is slowly but surely coming together for the facility at Lower Valley, where we have both the Agriculture Department and the Agriculture Pavilion, and where our annual agriculture show is being held.

I want to just take a minute, Madam Speaker, to remind everyone that the annual agriculture show for Cayman Brac and Little Cayman is being held this Saturday morning at the Department's facilities in . . . I want to say North East Bay instead of just saying Spot Bay, but everyone knows where that is. I understand Cayman Airways Ltd is running some extra sections so, please, those who can, come and enjoy the weekend. It is a long weekend, Madam Speaker, and I am certain that I speak for both the First Elected Member and Second Elected Member for Cayman Brac and Little Cayman that the people will be happy. The more that can go there, the merrier. We are all one. I understand the flights are full, but I am also assured, Madam Speaker, if there is indication that we need to do another extra section, Cayman Airways Ltd is quite happy to facilitate.

Madam Speaker, as the Minister responsible for Agriculture, I just want to, for a few minutes, share the vision for Agri-tourism, which is an exciting and a fresh concept design to serve the local community while it is forging new economically beneficial links between the agricultural and tourism sectors. An extensive examination of the needs and opportunities within the sector and economy as a whole, Madam Speaker, was undertaken, incorporating ideas from stakeholders and the experience gained from the past 15 years of attempted agricultural marketing.

This new project envisages the development of the Lower Valley agricultural site into a multifunctional, 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 a craft and culinary heritage of these Cayman Islands. Simultaneously, Madam Speaker, the project will preserve and expand the use of the site as a venue for a wide variety of national events, such as the agriculture show, festivals and 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, and I am very grateful to him, Madam Speaker, to contribute his unique skills to translate the vision of the proposal into a conceptual plan. Thus far, Mr. Doak has completed an initial set of these plans and they were put on display at the annual agriculture show on Ash Wednesday. As the Minister responsible, I want to stress that these are conceptual plans at present, Madam Speaker, and they have been created to provide a basis for critique and input by one and all.

This is a national not just an agricultural project, but it is one that is unique in its scope and unique in its vision to the Cayman Islands, and I believe, when it is completed, Madam Speaker, even to the wider Caribbean. It is going to require the input of a broad cross-section of stakeholders before the final plans can be completed, but we are not going to dilly

dally with them, Madam Speaker, we are going to move on. So, people let us get on-board.

In order for agriculture to develop in these Islands, Madam Speaker, one of the keys is to expand the market opportunities for local agriculture products. The scale and cost of production in the Cayman Islands does not lend itself, Madam Speaker—and I am sure you are very familiar with this—to access export markets. Tourism provides the equivalent of an export market here on the Island in the form of over one million visitors each year, either stay-over or cruise ship visitors. At over 20 times the size of the resident population, this, Madam Speaker, 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, Madam Speaker, we find that there is an identified need for additional land-based attractions in the Cayman Islands. I am sure the Minister of Tourism will agree with this, and I did hear him voice his strong support for the projects in his contribution.

Madam Speaker, there is a growing demand among visitors for a greater variety of authentic cultural and culinary experiences, so these projects have been successfully developed in other destinations. A large percentage of visitors are interested, too, Madam Speaker, in learning more about local foods, crops, farming methods, crafts, heritage and the native flora and fauna. In fact, we have to look no further than our own Turtle Farm, itself an Agri-tourism attraction, or the number of visitors, Madam Speaker, who even travel to Mr. Willy's Farm in North Side every year, as a proof of this great interest. The demand for more authentic souvenirs including local crafts and food products is also there.

Madam Speaker, this proposed project will therefore provide a unique opportunity to service both the needs of the agricultural and the tourism sectors. It will provide farmers and artisans with access to this huge, untapped market, and the associated opportunities for increased economic activity, while simultaneously enhancing the tourism product that Cayman offers.

Madam Speaker, I cannot say enough of not only how compatible it is, but how I see it working very, very well with the Minister's "Go East" project. Potentially, Madam Speaker, the project will provide economic benefits for the growth and development of the agriculture sector, farmers and persons in the wider community. In particular, 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 earlier generations of Caymanians. Local craft people will also benefit from the marketing and promotion of their products and the preservation of traditional crafts and skills.

Madam Speaker, in the agricultural sector, the project will provide farmers with opportunities such as new market outlets and greater market access to the

visitors' market. It will provide them with greater market opportunities and the potential for increased production as their sales increase. There is potential also for increased economic returns from operating their own retail stalls for the sale of theirs and other farmers' products. There will be a processing facility, Madam Speaker, to utilise periodic surpluses and to expand the range and volume of products sold through secondary processing.

Madam Speaker, that is something that some people do a little bit of now, but the market is huge for that, when we have too many mangos because they cannot sell, and we are able to preserve them and process them immediately and have them throughout the year for the ability to make jams and jellies continuously. All throughout the year, that facility will be there, Madam Speaker, and all of the people who are into this production will have access to getting these things throughout the year, and it is going to make a huge difference.

Madam Speaker, for the community the project is going to provide a central location to find the largest selection of high quality fresh and healthy local produce. There are going to be expanded recreational facilities and a place to host a wide variety of national events such as the agricultural show and, as I spoke to, the festivals, cultural and the sporting events. Madam Speaker, it is going to be a place to take our children to learn about agriculture, to see and touch the animals, to learn about the crafts, to learn about our heritage and simply, Madam Speaker, for them to have fun, good fun, family fun.

For that dying breed who still deal with the crafts, those artisans who still do the baskets and all of the other things, there is going to be a new and larger market outlet which is going to, Madam Speaker, bring more life to that dying sector to bring that alive. It will be a place to teach, to learn and to preserve the traditional craft and marketing techniques that, Madam Speaker, all of us keep talking about saying that it is slowly but surely just dwindling away from us as part of our heritage. Madam Speaker, this concept is going to provide tremendous opportunities for expanding and enhancing the work of the Department of Agriculture.

Although to the visitor the facility may appear to be for display and demonstration purposes only, but Madam Speaker, it is also intended that behind the scenes all of the orchards, the crops, the livestock, the aquaculture and other displays will be an integral functioning part of the Department's research, demonstration and technical services that it provides to the farming sector. In essence, the construction of this complex will facilitate the Department's needs for additional lab, research and demonstration facilities, increased office and storage space as it is required. In addition to these, direct benefits to the farming community, the site is also going to provide the Department with a very unique opportunity to promote and market local agriculture, to educate the population,

particularly the youth, to new technologies and the potential economic opportunities that are available within this sector.

This concept, Madam Speaker, thus far (and by no means is the door closed as to anything else being added) is going to include an open air marketplace comprised of Cayman-style kiosks which will sell a variety of local produce, processed food products, local crafts, souvenirs, local food and drinks – and drinks, Madam Speaker, local food and drinks. We will have a juicing station that will be active all the time, and that is for all of us, not just the tourists, to enjoy. It will also include a much larger outlet with facilities for refrigeration and temperature control for local meats and other specialty products as the now defunct Farmers' Market was known, Madam Speaker, the one that Hurricane Ivan put to bed. It will also include the processing facility to both process local agriculture products for supply to vendors in the marketplace and other retail outlets and in itself an attraction for tours by visitors.

Madam Speaker, let me just complete my short statement on this by saying that all of these things that I talk about, people are going to be able to go there and view them while they are happening. That is really the nice part about it; they will be an agricultural hall of fame and a museum of agricultural history, agricultural-related industries and, perhaps, historical artifacts of daily life in the Cayman Islands. There is going to be the traditional Cayman farmhouse and the agricultural grounds, and there will be a wide cross-section of locally grown fruit trees, crops and livestock. There will be demonstration of new production technologies in agriculture such as aquaculture and aquaponics.

There will also be an education centre encompassing classrooms, meeting and training rooms, display facilities, craft workshops, et cetera. Madam Speaker, the list goes on and on. There will be a children's area, there will be a petting zoo, farmhouse and a playground. There will be nature trails and, Madam Speaker, we are even going to have a maze, the same maze that you visited in Hope Gardens when you were younger and sometimes got lost in. We are even going to have that.

Madam Speaker, I kept hearing the Leader of the Opposition, when I mentioned this first, ask about the cost of this project. That is a valid question and I want to reiterate again: I believe the very nature of this project is going to cause for corporate participation to swell, Madam Speaker, because this is something that is for all of us to enjoy and to cherish, and for the continuity of heritage. For places like the kiosks, I am confident that corporate sponsorship will build the kiosks, with their names on them forever and ever and ever.

Madam Speaker, let me say this, just recently, the principals of the St. Matthew's University School of Medicine, who are now beginning the St. Matthew's School of Veterinary Medicine, are now in the process

of working out the details with us where they are going to construct two buildings on that very site: one the teaching classroom with the various laboratory facilities; and two . . . I cannot remember the name of it, but it is a building that will house the larger animals, and it will have the stalls and large animals operating theatres. You will be able to deal with artificial insemination, embryo transplants, the whole works.

Madam Speaker, that facility will have their school of medicine right there and the Department will have access to all of the needs of the farming community when it comes to the animals that are sick. You see, Madam Speaker that is the beginning of a perfect marriage because the facility and the school of veterinary medicine need animals, live and real animals, to be able to teach, at the same time our live and real animals get treated with whatever they need. It is a perfect combination and they want to do that now, Madam Speaker, so I suspect that this thing is going to begin to move a lot faster than we initially thought, and we are really excited about that.

Madam Speaker, I believe I will be a few minutes in winding up, so I would be quite happy if you call for the luncheon break and then we will come back and wind up.

The Speaker: Proceedings will be suspended until 2.30.

Proceedings suspended at 1.03 pm

Proceedings resumed at 2.39 pm

The Speaker: Proceedings are resumed. Please be seated. The Honourable Leader of Government Business continuing his debate.

Honourable Leader, you have 33 minutes remaining.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker. I can assure you that I will only be using three of those thirty-three minutes.

There are other very important matters which I would have wished to be discussing, but given the circumstances this afternoon, those matters will be further dealt with in Finance Committee when Members will be able to question my colleagues and myself on the subjects that we are responsible for.

The issue of housing is extremely important, and I intend to deal with that issue with a specific statement to this Honourable House. I am awaiting the results of a few issues to be sorted out so that I can make those announcements at one time.

Madam Speaker, we will be going into Finance Committee once the debate is concluded, and consensus is that we will commence Finance Committee directly after we resume on Wednesday morning.

In summing up, Madam Speaker, in speaking to the Throne Speech, the Budget Address and my Policy Statement, I would say that this Budget is what one might term as a "Courageous, Compassionate,

Prudent and Visionary Budget". From all of the contributions made from both sides of the House, it is obvious that the Budget is well thought through. It addresses, as far as we can, in one fiscal year the eleven broad outcomes upon which we have based our policy directives, and it also provides, throughout this first term of the PPM Government, for continuity in order to see all of our various projects through. I believe that while there is Government and Opposition, even the Opposition will admit that while no such thing as perfection exists, this Budget is one that we can all live with and work towards seeing all of the various objectives achieved.

The Honourable Third Official Member will do his wind-up, and I will just take a quick minute so that everyone can be up-to-speed. After consultation with your good self, Madam Speaker, we will adjourn as soon as the Honourable Third Official Member concludes his winding up. We will come back on Wednesday morning and deal with the Supplementary Appropriation of \$2 million through the Legislative process before it gets to Finance Committee so that there is continuity in the recovery process for the country. We will be dealing with that in detail in Finance Committee so that all Members, including the Opposition, are with full knowledge of what the money is going to be used for.

Madam Speaker, I wish to thank you for your guidance through this debate, even though at times it was a little touch-and-go, but thank God we have all learned not to cross the line even when our toes buck on it. I commend the Budget and say a big thank you to Members who spoke to it, I think just about everyone did. Even though there were some differing views expressed, let it be known that because those views at some points in time may have differed from positions the Government and our support on the Back Bench have taken, does not mean that we were not listening. Perhaps if there is anything in any one of those suggestions which may cause for better efficiency, certainly, it will be taken on-board. When that occurs, we will take the time out to give proper recognition to those who have suggested it, even if they are on the Opposition.

Madam Speaker, once more, I wish to commend this Budget and I do trust that all Members will support it, not only at the vote but also as we execute our duties. Thank you.

The Speaker: Honourable Third Official Member, do you care to exercise your right of reply?

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

Madam Speaker, I rise to address some of the points that were made by Honourable Members of the Opposition during their contributions to the Throne Speech, the Budget Address and the Policy Statement by the Honourable Leader of Government Business.

The first Honourable Member to speak was the Honourable Second Elected Member for West Bay. He started by making certain observations that can best be summarised by stating that he felt that there was a need for simplified budget details that could be issued to the public. That is something that the Government can consider. I hold the personal view that the Budget process and its documentation should be kept in a readily understandable format, and it is precisely with this thought in mind that I have tried to keep the Budget Address in an easily understandable format. Therefore, the Government can consider producing separate budget highlight-type documents in future years. The Honourable Second Elected Member for West Bay also acknowledged that the 2006-2007 Budget complies with the principles of responsible financial management. This is an important acknowledgement, Madam Speaker. It shows that the Honourable Opposition is content that the 2006-2007 Budget does comply with those important principles, and because those principles are in the Public Management and Finance Law the Budget also complies with that Law. He also acknowledged that the net worth of Government is budgeted to increase, and agreed that this is a desirable outcome.

Revenue Measures

Madam Speaker, the Honourable Second Elected Member for West Bay raised the question as to whether the revenue measures were being implemented to fund new services, and he further stated that he had searched and could not find those new services and he therefore wondered what the new revenue measures were for. In my Budget Address, Madam Speaker, on page 6 thereof, the opening sentence, under the caption "Proposed New Revenue Measures", stated, "**Madam Speaker, the sole purpose of the proposed new revenue measures is to assist in the funding of the important and necessary capital expenditure programme required in the Islands.**" Therefore, the purpose of the proposed revenue measures is not to fund recurrent or operational cost services, the revenue measures are to assist in the funding of the capital expenditure programme.

When we look at page 304 of the "Annual Plan and Estimates", we find the "Cash Flow Statement". Under the section within the "Cash Flow Statement" entitled "Cash Flows From Investing Activities", we will find that the planned expenditure on capital expenditure during the 2006-2007 financial year is approximately \$115 million, and this is what the revenue measures are meant to help finance.

The Honourable Second Elected Member for West Bay also stated that there was a lack of funds in the 2006-2007 Budget to construct facilities for the elderly. There are at least two items in the Budget, Madam Speaker, that relate to this aspect. Firstly, on page 272 of the Annual Plan and Estimates we will

find that there is \$250,000 budgeted for land purchase for a North Side Senior Citizen Home. On page 270 of the Annual Plan and Estimates we will find that \$690,000 has been budgeted in the 2006-2007 year to renovate the Caribbean Haven Residential Unit, the Golden Age Home, and an extension to Maple House. Therefore, the 2006-2007 Budget does contain funds in respect of facilities for the elderly.

Borrowing

Madam Speaker, a number of Honourable Members have questioned whether it is wise to borrow funds while interest rates are increasing. The existing borrowings of Government are fixed-interest rate borrowings, and let me illustrate this by providing brief details of the major components of Government's existing borrowings. The Bond Issue that the Government executed in 2003 was, essentially, a consolidation of existing borrowings, and the proceeds of that Issue were in effect used to pay off some existing floating-rate loans at that time.

The Bond Issue has an outstanding balance of US\$109.3 million, as at 1 May 2006, and the interest rate payable thereon is fixed at 5.3 per cent per annum, and that rate remains unchanged even if interest rates increase in the future. So, the Government's interest payments on the Bond Issue will not increase even if rates rise in the future. The Government also has a loan with a local bank with an initial principal of US\$9.6 million, and that amount has been reduced to \$6.8 million as of 1 May 2006 and, once again, the interest rate payable thereon is fixed at 5.02 per cent per annum.

The Government also obtained a loan to assist in the construction of the Prospect Primary School, and that loan has an outstanding balance of US\$7.6 million as at 1 May 2006. Once again, the interest rate charged on that loan is fixed at 5.04 per cent. It does not therefore vary in accordance with changes in prevailing interest rates.

The Government also had a \$15.6 million loan facility to undertake road works, and on 1 May 2006 the balance outstanding on this loan was US\$6.9 million. The fixed interest rate on this loan is 5.045 per cent. Members will recall that I also mentioned that Government only drew down \$24 million during the current financial year (that is the 2005-2006 year) out of a possible \$63 million loan facility. The \$24 million attracts interest at a fixed rate of 5.58 per cent.

Madam Speaker, the vast majority of Government's borrowings are, therefore, fixed-interest rates borrowings, which in turn means that the Government's interest expense is fixed and does not vary with changes in prevailing interest rates. Moreover, Madam Speaker, the Government will obtain a fixed interest rate borrowing in respect of the possible \$94 million mentioned in Members' contributions. Therefore, Madam Speaker, the concern expressed by Honourable Members will not materialise.

Madam Speaker, I can assure Honourable Members that Government will not seek to draw down funds unless it is absolutely necessary to do so, and we shall seek the most competitive terms for our borrowings as we have always done. The borrowings proposed will be tendered both to local and overseas institutions.

The Financial Statements in the Budget documentation indicate that the Government's proposed borrowing is affordable, and its associated ratios all comply with the principles of responsible financial management set out in the Public Management and Finance Law.

Madam Speaker, the Budget is also compliant with its foundation document, that is, the Strategic Policy Statement for the 2006-2007 year that the Legislative Assembly approved in November 2005. I repeat what I said in my Budget Address: this Budget will enable the Government to achieve its goal and build a solid foundation for the future of the Cayman Islands.

I wish to thank all Honourable Members for their contributions made to the Throne Speech, the Budget Address and the Policy Statement by the Honourable Leader of Government Business.

Madam Speaker, as we look along the walls in the Legislative Assembly we see many photos of our previous legislators, governors and commissioners, et cetera. We all realise, Madam Speaker, that time marches on, and we must make good use of our time in Parliament in order to serve the needs of the Cayman Islands.

As I said before, Madam Speaker, there is a very pertinent advert by Patek Philippe, which is a watch. It shows a father and son playing together, and the father has on the watch and the advert essentially says that one never actually owns a Patek Philippe, one merely looks after it for the next generation. That is our role in the Legislative Assembly, to look after the Cayman Islands for the generations to come.

Madam Speaker, I commend the Appropriation (July 2006 to June 2007) Bill 2006 to Honourable Members and ask that they give it their support.

Thank you, Madam Speaker.

The Speaker: The question is that The Appropriation (July 2006 to June 2007) Bill 2006 be given a Second Reading. All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. The Appropriation (July 2006 to June 2007) . . .

Honourable Leader of Government Business?

Hon. D. Kurt Tibbetts: Madam Speaker, I am sure I heard a "No". Could we call a Division, please?

The Speaker: I did not hear a "No" but the Standing Orders of this Honourable House allow any Member to challenge the Chair on a Division.

Madam Clerk.

Please give us one minute to get the Division Paper in the Chamber.

Division No. 8/06

Ayes: 11

Hon. D. Kurt Tibbetts
 Hon. V. Arden McLean
 Hon. George A. McCarthy
 Hon. Samuel W. Bulgjin
 Hon. G. Kenneth Jefferson
 Ms. Lucille D. Seymour
 Mr. Osbourne V. Bodden
 Mr. Moses I. Kirkconnell
 Mr. Cline A. Glidden, Jr.
 Capt. A. Eugene Ebanks
 Ms. Juliana Y. O'Connor-Connolly

Noes: 1

Mr. Rolston M. Anglin

The Speaker: The result of the Division: 11 Ayes, 1 No. The Ayes have it.

Agreed by Majority: The Appropriation (July 2006 to June 2007) Bill 2006 given a second reading and committed to the Standing Finance Committee.

ADJOURNMENT

The Speaker: That concludes the business of the Orders of the day. I will entertain a motion for the adjournment of this Honourable House.

Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Madam Speaker, thank you. I move the adjournment of this Honourable House until Wednesday, 17 May 2006 at 10 am.

The Speaker: The question is that this Honourable House does now adjourn until 10 am Wednesday, 17 May 2006. All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

At 2.59pm the House stood adjourned until 10 am Wednesday, 17 May 2006.

OFFICIAL HANSARD REPORT
WEDNESDAY
17 MAY 2006
10.12 AM
Eighth Sitting

The Speaker: I call on the Honourable Minister responsible for the Ministry of Communications, Works and Infrastructure to say Prayer.

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 10.14 am

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

Apologies

The Speaker: I have received apologies for late arrival from the Second Elected Member for the district of West Bay.

Cayman Academy Students

The Speaker: I would also like to welcome in the Gallery this morning students from, I think I was told, Cayman Academy. I would like to welcome you to the proceedings of the Legislative Assembly and hope you may learn something from these proceedings.

**PRESENTATION OF PAPERS
AND OF REPORTS**

**Standing Finance Committee Paper 2005/6
Budget: Request to Incur Additional Expenditure
in Advance of Appropriation**

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 a paper entitled "2005/6 Budget: Request to Incur Additional Expenditure in Advance of Appropriation".

The Speaker: So ordered. Does the Honourable Member wish to speak thereto?

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

In accordance with Standing Order 67(1) the Paper that has just been laid stands referred to Finance Committee, and as the paper will be considered in Finance Committee, I do not need to say anymore at this point except, Madam Speaker, with your permission to move a motion in connection thereto.

The Speaker: Go ahead, Honourable Member.

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

I beg to move, pursuant to Standing Order 67(2), that Finance Committee approves the supplementary appropriations requested in the Paper entitled "2005/6 Budget: Request to Incur Additional Expenditure in Advance of Appropriation" that has just been laid on the Table of this Honourable House. Thank you, Madam Speaker.

The Speaker: The paper now stands referred to the Finance Committee.

As those are all of the proceedings on the Order Paper of the day, I call on—

Ms. Juliana Y. O'Connor-Connolly: Madam Speaker

...

The Speaker: Honourable First Elected Member for the district of Cayman Brac and Little Cayman.

Ms. Juliana Y. O'Connor-Connolly: Thank you, Ma'am. I was trying to catch your eye.

Just on a procedural point, I just wonder whether there is an opportunity to ask a question on the Paper, as I was trying to get your eye before the Motion was moved.

The Speaker: Honourable Member, those questions will be asked in Finance Committee as you are now going to Finance Committee to consider the Supplementary Appropriation, and then you will consider the Appropriation Law 2006/7. So, you will have the opportunity in Finance Committee to ask any questions related to that Paper.

Does that answer your question? Honourable Member, if you have a further question, go ahead.

ADJOURNMENT

The Speaker: I call on the Honourable Leader of Government Business to move the adjournment motion, but before he does that, I would like to extend an invitation to the students in the Gallery if they would like, once the question has been put and the Speaker leaves the Chamber, to come to the Chamber and mingle with the Members of the Legislative Assembly. I am sure the Members would be happy to talk to the students.

Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker.

I move the adjournment of this Honourable House until the conclusion of Finance Committee, at which time we will reconvene.

The Speaker: The question is that this Honourable House does now adjourn until Finance Committee completes its business. All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. This Honourable House does now stand adjourned until Finance Committee completes its business.

At 10.19 am the House stood adjourned until the conclusion of Standing Finance Committee.

OFFICIAL HANSARD REPORT
WEDNESDAY
31 MAY 2006
3.41 PM
Ninth Sitting

The Speaker: I call on the Third Elected Member for the district of George Town to say Prayers.

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 3.43 pm

**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 George Town who will be away from 29 May to 2 June

on official business, and apologies from the Second Elected Member for the district of West Bay.

**PRESENTATION OF PAPERS
AND OF REPORTS**

**Report of the Standing Finance Committee:
Request to Incur Additional Expenditure in
advance of Appropriation – 2005-2006 Budget**

The Speaker: Honourable Third Official Member.

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

Madam Speaker, I beg to lay on the Table of this Honourable House the Report of the Standing Finance Committee: Request to Incur Additional Expenditure in advance of Appropriation – 2005-2006 Budget.

The Speaker: So ordered. Does the Honourable Member wish to speak thereto?

Hon. G. Kenneth Jefferson: Yes, thank you, Madam Speaker, just some very brief remarks.

Madam Speaker, Finance Committee met on 17 May 2006 to consider a request to grant an appropriation of an additional \$2 million in the financial year that will end on 30 June 2006, the purpose of which was to provide financial assistance to the uninsured and underinsured persons to help with home repairs and replacement of furniture and appliances damaged during Hurricane Ivan. Madam Speaker, the Committee approved the requested \$2 million of appropriation.

Finally, in accordance with Standing Order 74(5), I move that the Report just tabled be adopted. Thank you, Madam Speaker.

The Speaker: The question is that the Report of the Standing Finance Committee: Request to Incur Additional Expenditure in advance of Appropriation – 2005-2006 Budget be adopted as the Report of the Committee. All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

**Agreed: Report of the Standing Finance
Committee: Request to Incur Additional**

Expenditure in advance of Appropriation - 2005-2006 Budget adopted.

The Speaker: Honourable Third Official Member.

Report of the Standing Finance Committee on the Appropriation (June 2006 to July 2007) Bill 2006

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

Madam Speaker, I beg to lay on the Table of this Honourable House the Report of the Standing Finance Committee on the Appropriation (June 2006 to July 2007) Bill 2006.

The Speaker: So ordered. Does the Honourable Member wish to speak thereto?

Hon. G. Kenneth Jefferson: Yes, thank you Madam Speaker, and, once again, just some very brief remarks.

The Committee deliberated over the Schedule to the Bill and its Clauses during the period 17 May to 31 May 2006 (today). The Schedule to the Bill was agreed by the Committee to form part of the Bill after a few items on the Schedule were changed with the approval of the Committee. There was no overall change in the level of Appropriations or expenditures sought. Clauses 1 and 2 of the Bill were approved by the Committee to stand part of the Bill. I can therefore report that a Bill entitled The Appropriation (July 2006 to June 2007) Bill 2006 was considered by the Standing Finance Committee and passed with amendments.

Madam Speaker, in accordance with Standing Order 74 (5), I would move that the Report that has just been tabled be adopted. Thank you.

The Speaker: The question is that the Report of the Standing Finance Committee on The Appropriation (June 2006 to July 2007) Bill 2006 be adopted as the Report of the Committee. All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

Agreed: Report of the Standing Finance Committee on the Appropriation (June 2006 to July 2007) Bill 2006 adopted.

The Speaker: Honourable Third Official Member.

¹[Annual] Report of the Cayman Islands Public Service Pensions Board for the year ended 31 December 2000

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

Madam Speaker, I beg to lay on the Table of this Honourable House the Report of the Cayman Islands Public Service Pensions Board for the year ended 31 December 2000.

The Speaker: So ordered. Does the Honourable Member wish to speak thereto?

Hon. G. Kenneth Jefferson: Not to that Report, Madam Speaker, thank you.

The Speaker: Honourable Third Official Member.

Annual Report of the Cayman Islands Public Service Pensions Board for the year ended 31 December 2001

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

Madam Speaker, I beg to lay on the Table of this Honourable House the Annual Report of the Cayman Islands Public Service Pensions Board for the year ended 31 December 2001.

The Speaker: So ordered. Does the Honourable Member wish to speak thereto?

Hon. G. Kenneth Jefferson: Thank you, Madam Speaker; some extremely brief remarks.

Madam Speaker, the Auditor General has issued unqualified or "clean" opinions in respect of both the 2000 and the 2001 Financial Statements that have just been laid. Madam Speaker, I am pleased to report that strenuous efforts are being made by the Audit Office and by the Public Service Pensions Board to bring current the Audit of 2002 and the subsequent years thereafter and to lay them in the Legislative Assembly as soon as possible.

Thank you, Madam Speaker.

The Speaker: Honourable Minister of Health.

Financial Statements of the Cayman Islands Health Insurance Fund 31 December 2000 and 1999

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

I beg to lay before the Honourable House the Audit Reports on the Cayman Islands Segregated Insurance Fund for the period of 1 January 2000 to 29 February 2004.

¹ See "Corrections to Order Paper", page 209

The Speaker: So ordered. Does the Honourable Minister wish to speak thereto?

Hon. Anthony S. Eden: Just a few brief remarks, Madam Speaker, since there are about three or four reports.

This audit was originally scheduled to be completed in October 2004, but was delayed because of Hurricane Ivan. Other issues, such as the unavailability of human resources, as well as the unavailability of financial statements, further delayed the process of completing the audit. I take this opportunity to thank the Auditor General and his office for preparing the reports, especially under the circumstances noted.

Madam Speaker, as at 31 December 1999, the Segregated Insurance Fund balance was \$1,032,968. For the year 2000, contributions from approved health insurance providers totalled \$1,374,510. After adding interest income and deducting operating expenses, the accumulated fund balance as at year end was \$2,524,700. In 2001, contributions from approved providers totalled \$1,302,345. After adding interest income and deducting operating expenses, the accumulated fund balance for 2001 was \$3,925,848.

Also, on 4 September 2001 the Health Insurance Regulations came into effect, requiring that all funds held by the Monetary Authority in deposit accounts be transferred from the Segregated Insurance Fund to the Health Services director. Ultimately, all funds that had accumulated, and subsequent amounts received by the Monetary Authority, were transferred to the Health Services director. Therefore, in 2001, a net total of \$3,835,858 was transferred from the Monetary Authority to the Health Services Director as required by the Health Insurance Regulations 2001.

Madam Speaker, in 2002, contributions from approved providers totalled \$1,242,678. After deducting operating expenses, the balance of \$1,154,000 was disbursed to the Treasury Department. Please note that a directive was given by the then Minister of Health to deposit all funds directly to the Treasury Department as the funds were considered coercive revenue.

Lastly, for the 14-month period ending 29 February 2004, total contributions from approved health insurance providers were \$1,437,572. After deducting operating expenses, the balance of \$1,392,855 was disbursed to the Treasury Department. Members should note that the period beginning 1 March 2004 to present has not been audited. This period is outside the scope of the audit that has just been completed. It has, however, been decided that the Monetary Authority is responsible for producing financial statements for the 16-month period of 1 March 2004 to 30 June 2005, and also, that the Audit Office will ensure that these statements are audited as soon as they are submitted. I am

informed that the Chief Financial Officer for the Cayman Islands Monetary Authority has already initiated the production of these statements.

Financial statements for the period of 1 July 2005 to 30 June 2006 for the Segregated Insurance Fund were proposed to be produced by the Health Insurance Commission if the Collections' responsibility was transferred by 31 December 2005, and I am happy to confirm that the Collections' responsibility was transferred to the Health Insurance Commission as agreed. Future audits of the Segregated Insurance Fund will be the responsibility of the Health Insurance Commission and will cost between \$7,500 and \$10,000 per report.

Madam Speaker, I thank Honourable Members of this House for their attention. I also hope that they and the public will find the information contained in the audit reports useful, and that it provides assurance that this important area of governance is receiving appropriate attention.

Thank you, Madam Speaker.

The Speaker: Honourable Minister, I am going to have to ask you to relay the Report because the only report that has gone out on a Business Paper is the one for December 2000 and 1999. The other ones have not gone to Members on a Business Paper, so I would ask if you would relay just the 2000 and 1999.

Hon. Anthony S. Eden: Thank you, Madam Speaker. I beg to lay the relevant Report.

The Speaker: So ordered.

Annual Report of the Law Reform Commission 2005-2006

The Speaker: Honourable Second Official Member.

Hon. Samuel W. Bulgin: Madam Speaker, I seek your leave for the laying on the Table of this House the Annual Report of the Law Reform Commission 2005-2006.

The Speaker: So ordered. Does the Honourable Member wish to speak thereto?

Hon. Samuel W. Bulgin: Madam Speaker, just briefly.

This, Madam Speaker, is the first Annual Report of the Law Reform Commission, and it covers the period 1 May 2005 to March 2006, the Commission having been established in 2005.

Madam Speaker, the Report itself details the activities of the Commission over the last year, and it is very informative. The Report, Madam Speaker, highlights the fact that the function of the Commission is to study and keep under constant review the statutory and other laws comprising the law of the Cayman Islands, with a view to its systematic

development and reform. Madam Speaker, to that end, the Commission has undertaken to look at a number of initiatives at the moment and the Report details in several paragraphs what has happened so far.

Paragraph 3, for example, speaks to the initial work of the Commission. Paragraph 4 of the Report, Madam Speaker, deals with the Commission's work so far in the Corporate Insolvency Law and Practice of the Cayman Islands. Paragraph 5 deals with the Commission's ongoing review of the Legal Practitioners Bill, Madam Speaker. Paragraph 6 speaks to the Commission's ongoing review of the Landlord and Tenant Law, and paragraph 7 deals with the ongoing review by the Commission of the Legal Aid Law.

There are other matters that the Commission, Madam Speaker, is looking at: Procedure of Criminal Conduct Law and anti-corruption legislation. At the back of the Report itself is an appendix which sets out some of the other Bills: Police and Evidence Bill, Contempt of Court Bill, Youth Justice (Amendment) Bill, Examination of Maintenance Law and Examination of the Affiliation Law, as well as Children's Regulations and so on. These are all initiatives that the Commission is currently looking at.

I just want to make it quite clear, Madam Speaker, that these are matters that the Commission is looking at, these are not Government policies in relation to any of the matters in here. The protocol is that once the Commissioner has completed his report, it will be submitted to Cabinet. Cabinet will then take a decision as to whether the recommendations of the Commissioner will be acted upon. If that is done, then a bill will be approved for submission to this House to be debated. So, these are really just initiatives that are being looked at, and I just want to make that crystal clear to everyone. It does not, in any way, reflect any decision taken by Government on any of these initiatives in this Paper.

Thank you.

STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF THE CABINET

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

GOVERNMENT BUSINESS

BILLS

THIRD READING

²The Appropriation (June [July] 2006 to July 2007) Bill 2006

The Speaker: Honourable Third Official Member.

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

Madam Speaker, I beg to move that The Appropriation (June 2006 to July 2007) Bill 2006 be given a third reading and passed.

The Speaker: The question is that The Appropriation (June 2006 to July 2007) 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 Appropriation (June 2006 to July 2007) Bill 2006 has been given a third reading and is passed.

Agreed: The Appropriation (June 2006 to July 2007) Bill 2006 given a third reading and passed.

FIRST READINGS

The Mosquito (Research and Control) (Validation) Bill, 2006 *(Withdrawn)*

Hon. D. Kurt Tibbetts: Madam Speaker . . .

The Speaker: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, this item, The Mosquito (Research and Control) (Validation) Bill, 2006, is encapsulated in the next Bill on the Order Paper, so in reference to Standing Order 24(9)(c), under Standing Order 58, I move that The Mosquito (Research and Control) (Validation) Bill, 2006 be withdrawn from the Order Paper.

The Speaker: The question is that the Mosquito (Research and Control) (Validation) Bill, 2006 be withdrawn. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. The Bill is duly withdrawn.

Agreed: The Mosquito (Research and Control) (Validation) Bill 2006 withdrawn.

² See "Corrections to Order Paper", page 209

**The Mosquito (Research and Control)
(Amendment) Bill, 2006**

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, 2006

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 46(1) and (2)

The Speaker: Honourable Third Official Member.

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

Madam Speaker, I beg to move the suspension of Standing Order 46(1) and (2) so as to enable the First Readings of certain Bills listed on today's Order Paper. Thank you, Madam Speaker.

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.

The Public Recorder (Amendment) Bill, 2006

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

**The Local Companies (Control) (Amendment) Bill,
2006**

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

The Companies (Amendment) Bill, 2006

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

**The Exempted Limited Partnership (Amendment)
Bill, 2006**

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

MOTIONS**Suspension of Standing Order 24(5)**

The Speaker: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, Standing Order 24(5) reads, "Subject to the exceptions specified in paragraph (9), 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."

There are two Government Motions for re-zoning of property, which will be on the Order Paper tomorrow, Madam Speaker. They have been pending for quite some time, but, unfortunately, the documentation was not ready to be brought to the Legislative Assembly within the period specified by the Standing Order for this Meeting of the House. So, accordingly, I would move the suspension of Standing Order 24(5) in order for those two Motions to be brought tomorrow morning.

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) be suspended to enable two Government Motions to be dealt with.

The Speaker: That concludes the Orders of the day.

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. I move the adjournment of this Honourable House until tomorrow morning, 1 June at 10 am.

The Speaker: The question is that this Honourable House adjourns until 10 am tomorrow morning, 1 June. All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. This Honourable House does now stand adjourned until 10 am tomorrow morning, 1 June.

At 4.07 pm the House stood adjourned until 10 am Thursday, 1 June 2006.

OFFICIAL HANSARD REPORT
THURSDAY
1 JUNE 2006
10.41 AM
Tenth Sitting

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

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 10.44 am

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

Apologies

The Speaker: I have received apologies for late arrival from the Honourable First Official Member responsible for Internal and External Affairs; the Honourable

Minister responsible for Communications, Works & Infrastructure; the Honourable Minister responsible for Health and Human Services; I had the Third Elected Member for Bodden Town, but I am glad to see that he has arrived before we started; the Fourth Elected Member for West Bay; and the Honourable Second Official Member, and he is here with us.

Apologies for absence from the First Elected Member for Cayman Brac and Little Cayman, and the Second Elected Member for West Bay who is, unfortunately, at the hospital with his young daughter who happened to break her arm this morning, so could we remember Shereena in our Prayers.

Corrections to Order Paper of 31 May 2006

The Speaker: Before I move on to the next item, just in order for the *Hansard* of this Honourable House to reflect what should have been said yesterday that was on the Order Paper incorrectly, the "Report of the Cayman Islands Public Service Pensions Board for the year ended 31 December 2000" should have said "Annual Report".

The Third Reading of the Appropriation Law, which said "The Appropriation (June 2006 to July 2007) Bill 2006", should have said "The Appropriation (July 2006 to June 2007) Bill 2006."

**PRESENTATION OF PAPERS
AND OF REPORTS**

(Deferred)

The Speaker: Honourable Leader of Government Business, the Honourable Minister responsible for Health, who has sent apologies for late arrival, has three reports to be laid. Could you ask for a deferral to a later point in this sitting?

Hon. D. Kurt Tibbetts: Madam Speaker, I crave your indulgence to do just that, Ma'am. Thank you.

The Speaker: The question is that the presentation of the Financial Statements of the Cayman Islands Health Insurance Fund for the years 2001, 2000, 2002, 2001, 2004 and 31 December 2002 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: Presentation of Financial Statements deferred to a later point in the sitting.

Builders Bill, 2006 – Discussion Paper

The Speaker: Honourable Leader of Government Business and the Minister responsible for District Administration, Planning, Agriculture and Housing.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, I beg to lay on the Table of this Honourable House, as a Discussion Paper only, the following piece of draft legislation – that is the Builders Bill, 2006.

The Speaker: So ordered. Does the Honourable Member wish to speak thereto?

Hon. D. Kurt Tibbetts: Yes, Madam Speaker, just a few brief comments. Madam Speaker, by way of background, I will offer the following information for Members.

Members will be aware that the suggestion to enact legislation to regulate builders and contractors had been discussed for almost 20 years and whereas draft legislation had been prepared and reviewed some years ago, the fact is nothing was ever finalised. In December of 2001, the Planning Department commenced a public awareness campaign to solicit information and input on the Builders Bill. The deadline for comment was initially 31 January 2002, but this was subsequently extended to 15 April of the same year. At the end of that comment period there were two submissions on the Builders Bill. In short, there had been considerable opportunity, at that time, for public comment and the current draft Bill contains all, or almost all, of the same provisions with a few additions to improve the processes, the authority and responsibilities of the board and the contractors.

In May of last year, shortly after the General Election, I requested an immediate update on the project and directed that steps be taken post-haste to finalise the draft legislation for consideration by Cabinet. Immediately thereafter, a Builders Bill Review Committee was organised.

That Committee comprised of representatives from the Chamber of Commerce; Legislative Drafting; Department of Employment Relations; the chairman of the Trade and Business Licensing Board; the chairman of the Work Permit Board; the chairman of the Central Planning Authority; the chief building control officer; the assistant control officer; the assistant chief building control officer/ the director of the Public Works Department; the president of the Cayman Contractors Association; and the director of Planning. The Committee commenced deliberations on 18 October last year and completed its substantive review on 2 February this year, some six months later. Fortunately, the Committee had access to the earlier versions of the draft Bill, and this greatly assisted them

with their deliberations. The director of Planning, on behalf of the Builders Board Committee, submitted the proposed draft Bill to the Ministry on 17 February 2006, and after meeting with the Ministry on a few more minor amendments, they submitted the current draft on 28 March 2006.

The Builders Bill, 2006 will establish the builders board to help safeguard and promote high standards of workmanship in the building industry in these Islands. The board will have responsibility for registering business entities involved in the business industry and qualifying individuals who would actually perform the work. The Builders Bill, 2006 proposes to license builders and contractors in various categories according to their skills. When hiring a general contractor, the public will know what duties they are licensed to perform. Subcontractors such as electricians and plumbers are already required to be licensed.

The draft Bill proposes to license builders and contractors in five categories: general contractor; civil contractor; building contractor; residential contractor and sub-trades contractor.

The draft Bill, Madam Speaker, contains several clauses and one schedule. Briefly summarised, the draft Builders Bill, 2006 provides for the following:

- the establishment of the builders board;
- the registration and criteria for business entities and contractors;
- the issuance and expiry of registration of business entities;
- disciplining of business entities and their right to appeal;
- registration and criteria for qualified individuals;
- issuance and expiry of registration of qualified individuals;
- disciplining of qualified individuals and their right to appeal;
- offences for an entity or an individual not registered as a builder, to hold himself as being so registered;
- offences to carry out work when one is not registered at all, or not registered for that particular type of work/offences, to make fraudulent entries in the register of builders;
- appointment of enforcement officers, powers of the board and/or the courts for non-compliance with the law;
- criminal liability of business entities, their directors, partners or managers;
- appeals of certain actions taken under the law, empowering the Governor to make regulations and/or matters of policy and transitional provisions whereby the recognition of business entities and qualified individuals who may not meet the qualification prescribed in the law can be registered with a given time-frame for them to comply.

The schedule contains a number of provisions relating, principally, to the internal organisation of the board. Madam Speaker in April of this year the Governor in Cabinet ordered that the draft Builders Bill, 2006 be posted on the Government website. In addition, several copies were made available from the Legislative Assembly. The public was invited to comment on the Bill in whatever written form was most convenient for them, whether by regular mail, email or fax. The deadline for submissions was 30 May 2006.

The Governor in Cabinet also ordered that any feedback received during this public comment period should be forwarded to the Builders Bill review committee for review and incorporation into a re-drafted Bill, if the committee saw fit to do so.

Madam Speaker, once the Builders Bill review committee presents me with its final report on the public comments that have been received I will then present the proposed Bill to Cabinet for approval to forward it on to the Legislative Assembly.

So, Madam Speaker, I am laying this draft Builders Bill, 2006 on the Table of this Honourable House as a Discussion Paper. Thank you.

QUESTIONS TO HONOURABLE MINISTERS/MEMBERS OF THE CABINET

Suspension of Standing Order 23(6)

The Speaker: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker. I beg to move the suspension of the relevant Standing Order so that one Member can ask more than three questions within 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 to appear on the Order Paper in the name of the same Member on the same day.

The Speaker: Question No. 1 standing in the name of the Honourable Leader of the Opposition and the First Elected Member for West Bay.

Honourable Leader of the Opposition.

Question No. 1

No. 1: Hon. W. McKeeva Bush asked the Honourable Minister responsible for the Ministry of Education,

Training, Employment, Youth, Sports and Culture how many teachers have indicated that they will not be returning to school in September 2006.

The Speaker: Honourable Minister responsible for Education.

Hon. Alden M. McLaughlin, Jr.: As of April 28, 2006 a total of nineteen (19) teachers have indicated that they will not be returning to school in September 2006.

This figure represents 3.75% of a total number of 506 full and part-time teachers employed in Government schools.

The reasons and a breakdown of those opting not to return are as follows:—

- Retirement – ten (10) teachers
- Resignation – four (4) teachers
- Request for non-renewal at end of contract – five (5) teachers

As Minister of Education, Training, Employment, Youth, Sports & Culture, I would like to take this opportunity to put on record my gratitude to all teachers, especially those who will not be returning to school in September 2006, for their contribution to the provision of education in the Cayman Islands.

Supplementaries

The Speaker: Are there any supplementaries? Honourable Leader of the Opposition.

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

Can the Minister say: (a) what areas or subjects of teaching did these teachers cover; (b) has there been a recruitment process to replace these teachers?

The Speaker: Honourable Minister responsible for Education.

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

Madam Speaker, in terms of retirement, I said there were ten teachers. Three of those were from John Gray High School: one a teacher of special needs, one a teacher of math; one, a head of year. At George Hicks High School: the deputy principal, head of English, one English teacher, one physical education (PE) teacher, one school counsellor. John A. Cumber Primary, West Bay: one classroom teacher. George Town Primary School: one classroom teacher.

Resignation: four. George Hicks High School: one teacher of English, the head of Spanish, one teacher of Spanish and one teacher of special needs.

Requests for non-renewal at end of contract: five teachers. John Gray High School: one Spanish teacher, one home economics teacher. Lighthouse School: one early intervention teacher. John A. Cum-

ber Primary, West Bay: one classroom teacher and one Peripatetic/IT teacher, who actually, because of Peripatetic, would be directly under the Department of Education.

In answer to the question as to whether or not the recruitment programme is in place, yes, Madam Speaker, we have been in the process of recruiting teachers. We started the process, I believe for the first time in the history of the system, in January of this year, and recruitment is underway at the moment.

Suspension of Standing Order 23(7) and (8)

The Speaker: Before I ask for supplementaries, I call upon the Honourable Leader of Government Business to move the suspension of Standing Order 23(7) and (8) to allow questions to go beyond the hour of 11 am.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, I so move so that questions can be heard after the hour of 11 am.

The Speaker: The question is that Standing Order 23(7) and (8) be suspended in order for Question Time to go beyond 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) and (8) suspended to allow Question Time to go beyond the hour of 11 am.

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.

Madam Speaker, I am just wondering if the Minister could say how the figure of 3.75 per cent reflects in comparison to previous years, whether that is higher or lower or that is, more or less, an average of what it has been.

The Speaker: Honourable Minister responsible for Education.

Hon. Alden M. McLaughlin, Jr.: Madam Speaker, it is in the average, I understand. I was not here more than a year ago, but I understand that it is just about where it has always been, somewhere between 3 to 4 per cent.

The Speaker: Are there any further supplementaries? *[Pause]* If there are no further supplementaries, we will move to Question No. 2 standing in the name of

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

Question No. 2

No. 2: Hon. W. McKeeva Bush asked the Honourable Minister responsible for the Ministry of Education, Training, Employment, Youth, Sports and Culture when will the June 2005 external (GCE and CXC) examination results be published.

The Speaker: Honourable Minister responsible for Education.

Hon. Alden M. McLaughlin, Jr.: The Ministry of Education, Training, Employment, Youth, Sports & Culture is committed to open and transparent governance of the education system. Over the last year, it has therefore consistently sought to engage all stakeholders in the future direction of the education provision in these Islands. As such, the Ministry of Education, Training, Employment, Youth, Sports & Culture recognizes the importance of statistical data and of making this accessible to the general public.

Ideally, examination results should be published in a timely fashion and the Ministry of Education, Training, Employment, Youth, Sports & Culture is committed to ensuring that the 2005 external examination results for John Gray High School and Cayman Brac High School will be published within the next two weeks. Furthermore, the Ministry of Education, Training, Employment, Youth, Sports & Culture is also committed to significantly shortening the timeline for the publication of these results in future years.

For information, whilst students receive results in August or September, many of these from the UK are provisional and are only confirmed in about November of each year, with the arrival of the certificates. This period allows for provisional grades to be appealed and for final checking, although it means that there is a significant delay before final results can be assessed locally.

Local statistical analysis of this data is proving to be an increasingly important tool in the strategic management of education in the Cayman Islands and time must be made available for this valuable function. However, results were delayed in coming to the Ministry of Education, Training, Employment, Youth, Sports & Culture this year, not arriving until late February. This has meant that the Ministry of Education, Training, Employment, Youth, Sports & Culture has been hard pressed to perform a number of important related tasks in a short period of time, including a comparison of this data with the information on the disappointing levels of literacy being found amongst our students. Notwithstanding these difficulties, the Ministry will, in the future, ensure that the results are processed more quickly and are made public as soon as is reasonably practicable.

Moreover, the Ministry of Education, Training, Employment, Youth, Sports and Culture has taken steps to ensure that results are published in more detail and in a format that is useful and meaningful to all interested parties.

The Strategy 7 project group, from the National Consensus Report, working on data and statistics, has also been asked to identify a framework that can be used to print all results achieved by our students, which also indicates the numbers of students in each subject, the pass rate and the comparison with previous years. This will allow everyone to see the real trends in the performance of our students.

The Speaker: Are there any supplementaries? [Pause] If there are no supplementaries, we will move on to Question No. 3 standing in the name of the Honourable Leader of the Opposition and the First Elected Member for the district of West Bay.

Honourable Leader of the Opposition.

Question No. 3

No. 3: Hon. W. McKeeva Bush asked the Honourable Minister responsible for the Ministry of Education, Training, Employment, Youth, Sports and Culture to say when did the University College of the Cayman Islands make their insurance claim and whether or not the College has received any payment from the proceeds of the claim from the Government.

The Speaker: Honourable Minister responsible for Education.

Hon. Alden M. McLaughlin, Jr.: The University College of the Cayman Islands negotiated its insurance claim directly with Risk Management. The Ministry of Education, Training, Employment, Youth, Sports and Culture was not, however, involved in this process.

Unfortunately, the documentation initially submitted by the University College, to Risk Management, did not conform to the format required by Risk Management. Following enquiries undertaken by the Ministry of Education, Training, Employment, Youth, Sports and Culture, Risk Management has advised the Ministry that the University College only submitted claims documentation, in a format suitable for processing, in November, 2005.

That documentation was processed and following the subtraction of a \$211,059.10 deductible from the total claim of \$512,860.06, the University College received an insurance payment in the amount of \$301,800.96 on the 9th May 2006.

Following further enquiries undertaken by the Ministry of Education, Training, Employment, Youth, Sports and Culture, Risk Management has indicated that it did receive additional documentation from the University College on the 26th May 2006. Risk Management is currently processing this request in order to determine whether a further payment can be made.

The Ministry of Education, Training, Employment, Youth, Sports and Culture has endeavoured to ascertain whether the University College requires any additional funding [indeed, Madam Speaker, I spoke directly to the Board myself] and to date, has not been advised of any such need.

Supplementaries

The Speaker: Are there any supplementaries? Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: Madam Speaker, can the Minister say what was lacking in the submitted documentation to be able to conform to what risk management wanted?

The Speaker: Honourable Minister responsible for Education.

Hon. Alden M. McLaughlin, Jr.: Madam Speaker, I am told (and I am going from memory) that it was not submitted in the format required and that this was communicated to the College and things just slipped. However, I do not have the specific information here. Although I have two members of my Ministry here, as I said, we were not directly involved with the process and we do not have the information within the Ministry. So we would have to get it from the University College or from Risk Management, and there is no one from either of those establishments here.

If it is a critically important issue to the Leader of the Opposition then, obviously, we can provide it in writing.

The Speaker: Are there any further supplementaries? [Pause] If there are no further supplementaries—Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: Can the Minister say whether Risk Management considered then the first payment, or the payment that seems to be the only payment they have made, to be a partial payment?

The Speaker: Honourable Leader of the Opposition, I think the question goes on to say that Risk Management, since receiving additional documentation from the University College on 26 May, is currently processing this request in order to determine whether further payment can be made. Is that what you are seeking? [Pause]

Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: Madam Speaker. (*inaudible*)

The Speaker: Are there any further supplementaries?

Hon. Alden M. McLaughlin, Jr.: Madam Speaker . . .

The Speaker: Honourable Minister of Education.

Hon. Alden M. McLaughlin, Jr.: I am anxious to assist the Leader of the Opposition. I will tell him what I do know.

The original claim submitted by the University College of the Cayman Islands (UCCI) was for \$932,714.91. This submission also included \$235,000 for remediation, but this was actually paid by Government as part of the settlement negotiations. The claim, which was verified by Risk Management, was \$512,860.06. Apparently, there were additional items for which no estimate or invoice was provided, including windows, floor tiles for the multi-purpose hall and cabinetry. The deductible was \$211,059.10, and so the potential claim payout was \$301,800.96.

In summary, the insurance paid represented just under 60 per cent of the claim, less remediation estimates and deductible. I hope that helps.

The Speaker: Are there any further supplementaries? *[Pause]* If there are no further supplementaries, we will move on to Question No. 4 standing in the name of the Third Elected Member for the district of West Bay.

Third Elected Member for the district of West Bay.

Question No. 4

No. 4: Mr. Cline A. Glidden, Jr. asked the Honourable Minister responsible for the Ministry of Education, Training, Employment, Youth, Sports and Culture what is the policy regarding Wardens on the school buses.

The Speaker: Honourable Minister responsible for Education.

Hon. Alden M. McLaughlin, Jr.: This question was essentially answered during the last sitting of the Legislative Assembly. Moreover, for the avoidance of doubt, the policy regarding wardens on school buses is reflected in transportation contracts which require the presence of at least one warden on all buses contracted by government.

In 1999, the Education Department in conjunction with George Hicks High School HSA Bus Committee, developed guidelines regarding the extent of wardens' responsibility and the appropriate response to students' misbehaviour on board the bus, including protocols with respect to the eviction of disruptive students and the request for Police assistance in dealing with similar problematic incidents. These guidelines were included in a "Wardens' Handbook" which is still in use.

Wardens are required to report for duty regularly, so as to ensure that no bus is without a warden while children are on board. But since there has been some abuse of the system, a zero-tolerance policy

with regards to wardens' attendance, has been introduced, and perpetrators have been, or are being, put on notice of pending sanctions/dismissal if there is no improvement within a given time frame.

In addition, other relevant measures geared to improve the system through stricter monitoring, increased site visits and ongoing training, have been implemented or are in the pipeline for implementation within the coming months.

Transportation contracts require the presence of at least one warden on all buses. These contracts apply to all secondary schools except for Cayman Brac High School. There are also transportation contracts at Prospect Primary School, Red Bay Primary School and George Town Primary School. Primary schools are also allowed to operate their own buses through PTA's (Parent Teachers' Association) and with the assistance of Government.

The following primary schools have bus wardens which are employed by their respective PTAs.

[North Side Primary School	1 bus warden]
Savannah Primary School	1 bus warden
Bodden Town Primary School	1 bus warden
George Town Primary School	1 bus warden
Prospect Primary School	1 bus warden

The Lighthouse School has two (2) bus wardens which are employed by the Education Department.

The Speaker: Are there any supplementaries? *[Pause]* Are there any supplementaries? *[Pause]* If there are no supplementaries, we will move on to Question No. 5 standing in the name of the Honourable Leader of the Opposition.

Honourable Leader of the Opposition.

Question No. 5

No. 5: Hon. W. McKeever Bush asked the Honourable Minister responsible for the Ministry of Tourism, Environment, Investment and Commerce has there been an increase in the cost of licences for taxi drivers and tour bus operator and, if the answer is yes, under whose authority was this increase implemented.

The Speaker: Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

Hon. Charles E. Clifford: Madam Speaker, in 1995, the Legislative Assembly enacted the Public Passenger Vehicles Regulations which included the setting of a new fee structure for all applications, including taxis and buses.

However, during a recent review by government's Internal Audit Department, it was discovered that the application fees for public transportation operators, which have been in government's regulations since 1995, were not being collected.

The audit of the Vehicle and Driver Licensing Unit was part of an overall review of various departments, conducted in January and February 2006, to examine the payment of fees to government. Once the Vehicle and Driver Licensing Unit was made aware of the omission, they immediately started to collect the fees.

Application fees for public transportation operators are as follows.

Description of Vehicle	Fees
1. Vehicles constructed or adapted to seat less than 10 passengers	\$150
2. Vehicles constructed or adapted to seat 10 to 25 passengers	\$200
3. Vehicles constructed or adapted to seat more than 25 passengers	\$250

Madam Speaker, as I have said publicly before, the lesson that must be learnt from this experience is that, notwithstanding the discovery of the omission in this case, the public should have been advised and given a reasonable notice period before collection commenced.

Madam Speaker, the collection of these fees are currently in effect but has not been retroactively applied.

Madam Speaker, on a general note, as indicated in the answer to the question, a press release was sent out on this matter some weeks ago, but the question is still before the House and I thought it was important to answer it in the event that Members had any supplementary questions.

The Speaker: Honourable Minister, I am glad you decided to answer a question that was sent from the Parliament even though you did a press release.

Supplementaries

The Speaker: Are there any supplementaries?

Hon. W. McKeeva Bush: The lesson that should be learnt from that, there should not be any press releases before the answer to the question.

[Inaudible comment from Member of the House]

The Speaker: Third Elected Member for the district of George Town.

Ms. Lucille D. Seymour: Thank you, Madam Speaker.

Would the Honourable Minister say whether they intend to revisit this, with the purpose of decreasing the fees?

The Speaker: Honourable Minister responsible for Tourism.

Hon. Charles E. Clifford: Thank you, Madam Speaker.

Madam Speaker, in the answer to the substantive question, it is noted that these are application fees. On the face of it, Madam Speaker, it appears to me (and you will see that the fees range from \$150 to \$250) that the fees, because they are application fees, may very well be excessive. There is going to be an opportunity, when we set up the new legislation which is being drafted now, to separate the Public Transport Unit from the Vehicle and Driver Licensing Unit to review fees, and at that time we will make a decision. However, I cannot say anything beyond that at this stage.

The Speaker: Are there any further supplementaries? *[Pause]* If there are no further supplementaries, we will move on to Question No. 6 standing in the name of the Honourable Leader of the Opposition.

Honourable Leader of the Opposition.

Question No. 6

No. 6: Hon. W. McKeeva Bush asked the Honourable Minister responsible for the Ministry of Tourism, Environment, Investment and Commerce whether the Board of Cayman Airways Ltd has held meetings with Boeing Company and Embraer regarding plans for changes to Cayman Airways' fleet and, if so, what decision has been made.

The Speaker: Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

Hon. Charles E. Clifford: Madam Speaker, in light of escalating fuel costs, the Board and Management of Cayman Airways Limited are continuously seeking ways to achieve efficiencies and improve performance and to minimise costs which would otherwise have to be passed on to their valued customers or the shareholder, the Government.

Based on the objective of reducing cost by seat mile, the Board and Management of Cayman Airways are conducting an aircraft fleet analysis to consider options which are most feasible and appropriate for the National Airline. In so doing, Cayman Airways representatives have recently met with both Boeing and Embraer aircraft manufacturers.

Madam Speaker, these meetings have been fact finding missions in order to facilitate more informed consideration of the airline's fleet requirements. As the public and Members of this Honourable House will be aware, an efficiency audit is currently underway at Cayman Airways. Until the results of this audit are known and the Board of Directors and Management have an opportunity to review the findings and to reflect these recommendations in the airline's strategic planning, no adjustments to our current fleet will be made.

I would like to emphasise, Madam Speaker, that we do not know that a change in fleet will ultimately be required or recommended. However, by reviewing its options and monitoring prevailing market conditions, Cayman Airways will be in a position to provide timely and informed advice on this matter.

This is a continual process and the Board and Management are keeping up to date with this vital area of the airline's business, particularly given the grave concerns which exist on future trends in fuel prices.

Thank you, Madam Speaker.

Supplementaries

The Speaker: Are there any supplementaries? Honourable Leader of the Opposition.

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

Madam Speaker, can the Minister say whether this audit that is being conducted by the German company is able to consider the fleet?

The Speaker: Honourable Minister responsible for Tourism.

Hon. Charles E. Clifford: Thank you, Madam Speaker.

Madam Speaker, that is certainly the intention, but, of course, much is going to depend on what they find. They have already started the audit, but much is going to depend on the information that is available, not just in terms of the current fleet and the operational and maintenance cost but also on issues such as the route network and the marketing of that network. So while we expect that this will be an issue that will be addressed by the auditors, I do not know what the result of that is going to be. I am scheduled to have an interim report presented to me tomorrow, with the final report being presented towards the end of June, so I cannot speak on the matter beyond that at this point.

The Speaker: Are there any further—Honourable Leader of the Opposition.

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

Madam Speaker, is the Minister saying that the terms and conditions of the contract and the audit conducted allow the company to examine fleet changes?

The Speaker: Honourable Minister responsible for Tourism.

Hon. Charles E. Clifford: Madam Speaker, the terms and conditions certainly require that the auditors review the fleet and give advice on it, just as they will

give advice on other components of the company, and make recommendations to the Government in terms of achieving further efficiencies and optimising performance.

The Speaker: Are there any further supplementaries? *[Pause]* If there are no further supplementaries, that concludes Question Time.

STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF THE CABINET

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

GOVERNMENT BUSINESS

BILLS

SECOND READINGS

The Mosquito (Research and Control) (Amendment) Bill, 2006

The Speaker: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Madam Speaker, I beg to move the Second Reading of A Bill For A Law To Amend The Mosquito (Research And Control) Law (1998 Revision); And For Incidental And Connected Purposes.

The Speaker: The motion has been duly moved and is open for debate. Does the Honourable Member wish to speak thereto?

Hon. D. Kurt Tibbetts: Yes, Madam Speaker, thank you.

Madam Speaker, this Bill is, simply, accompanying legislation to The Mosquito (Research and Control) (Amendment) Regulations, 2006 which was gazetted earlier this year in accordance with an order by the Governor in Cabinet. In 2004, Madam Speaker, it was discovered that port disinsection fees for Sundays and public holidays were not provided, although they were being collected. They were not provided for in the legislation due to an omission in the 1994 amendments. The Mosquito (Research and Control) (Amendment) Regulations, 2004 provide for these fees to be collected, as well as an additional charge of \$15 per hour over the normal rate for the service on Saturdays, Sundays and public holidays, and all days outside normal working hours of 8 am to 5 pm.

Madam Speaker, the director of the Mosquito Research and Control Unit (MRCU) also has re-

requested an amendment which will provide some discretion with regards to port disinsection services. The purpose behind the amendment is to allow the director enough flexibility to concentrate efforts in resources where they are best served. Under this proposal, the role of port disinsection would be changed to include survey and monitoring work at the airport in addition to spraying all incoming vessels, containers and vehicles. The Department intends to concentrate greater efforts on the Port Authority Cargo Distribution Centre in the Industrial Park area of George Town as this site has shown to be a source of the introduction of potentially disease-carrying mosquitoes.

The Bill to amend the Mosquito (Research and Control) Law (1998 Revision); and For Incidental Purposes provides the required discretion to the director of MRCU, and it makes it clear that any aircraft or ship, or other things aboard, is liable for disinsection, and also the Bill will insert a definition for "ship".

Madam Speaker, I trust that all Members will see it fit to support this Bill.

The Speaker: Does any other Member wish to speak? *[Pause]* Does any other Member wish to speak? *[Pause]* If no other Member wishes to speak, does the Honourable Leader of Government Business wish to exercise his right of reply?

Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Madam Speaker, in times like this, it is fair to assume that silence means consent, so I wish to thank Honourable Members for their support.

The Speaker: The question is that a Bill shortly entitled The Mosquito (Research and Control) (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. The Mosquito (Research and Control) (Amendment) Bill, 2006 has been given a second reading.

Agreed: The Mosquito (Research and Control) (Amendment) Bill, 2006 read a second time.

The Penal Code (Amendment) Bill, 2006

The Speaker: Honourable Second Official Member.

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

Madam Speaker, I rise to move for the Second Reading of a Bill entitled The Penal Code (Amendment) Bill, 2006.

The Speaker: The motion has been duly moved. Does the Honourable Member wish to speak thereto?

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

Madam Speaker, as outlined in the title, the Bill seeks to amend the Penal Code (2005 Revision) to clarify the law relating to Malicious Injuries to Property.

Clause 2, Madam Speaker, of the Bill repeals and replaces section 261 of the Penal Code (2005 Revision). The section, as it now stands, criminalizes destruction of or damage to property only where it is done with intent to endanger a person's life, or with reckless indifference as to such endangerment. In a previous form, the provisions of the Law relating to malicious destruction or damage [to property] criminalized such behaviour whether or not any threat to life is involved. The text to be substituted substantially restores the provisions in their earlier form, and thereby, if enacted, would criminalise damage to property simpliciter, whether or not there was any intent or likelihood to endanger life.

The Bill, Madam Speaker, is very short and very self-explanatory, and I would seek Honourable Members' support in this amendment.

The Speaker: Does any other Member wish to speak? *[Pause]* Does any other Member wish to speak? *[Pause]* 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 would like to thank all Honourable Members for their tacit support of the proposed amendment to this Bill.

Thank you.

The Speaker: The question is that The Penal Code (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. The Penal Code (Amendment) Bill, 2006 has been given a second reading.

Agreed. The Penal Code (Amendment) Bill, 2006 read a second time.

Suspension of Standing Order 46(4)

The Speaker: Honourable Third Official Member.

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

Madam Speaker, I beg to move the suspension of Standing Order 46(4) to allow the four Bills on

the Order Paper can be read a second time, notwithstanding that they have not been gazetted as yet.

Thank you.

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 to allow the Bills to be read a second time.

The Public Recorder (Amendment) Bill, 2006

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Madam Speaker, in accordance with Standing Order 48(1), I beg to move the Second Reading of a Bill entitled The Public Recorder (Amendment) Bill, 2006, the Memorandum of Objects and Reasons of which indicate that the Bill seeks to increase certain fees specified in the principal Law.

The Speaker: The motion has been duly moved and is open for debate. Does the Honourable Third Official Member wish to speak thereto?

Honourable Third Official Member.

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

The Bill that is now before the House seeks to amend the Public Recorder (Amendment) Law (1996 Revision), which I shall refer to as the "principal Law".

The Bill consists of four clauses. If this Bill is passed, clause 1 provides that the name of the Law shall be The Public Recorder (Amendment) Law, 2006, and that it shall come into force on 1 July 2006. The date 1 July 2006 was chosen as the effective date because it reflects the Government's previous pronouncements that revenue measures for the 2006/7 financial year shall take effect from the start of that financial year, which is 1 July 2006.

Clause 2 of the Bill seeks to make two changes to section 4 of the principal Law. Firstly, the present fee of \$20 for the Public Recorder recording the first page of any document presented to him is proposed to be changed to \$25. Secondly, the present fee of \$5 for the Public Recorder recording any additional page after the first page of any document presented to him for recording is proposed to be changed to \$10. Clause 3 seeks to increase the present fee level of \$5 for a certified copy of a document held by the Public Recorder to \$25 for such a certified copy. Clause 4 seeks to increase the present fee of \$1 to have the Public Recorder perform a search for any document that may be in his possession to \$5. The

existing fee levels in the principal Law have remained unchanged since 1986, some 20 years ago. Viewed in this timeframe, the proposed changes are modest.

The Appropriation Bill for the 2006/7 financial year received its third reading yesterday and was passed. That Law will authorise certain appropriations or, to use a more familiar word, "expenditures" to occur from 1 July 2006 onwards. To help support or finance those appropriations, Government presented certain revenue measures for the 2006/7 year. The fee increases proposed by this Bill form a part of those revenue measures.

Given that the Appropriation Bill for the 2006/7 year was passed by the House without any dissensions, it is logical to expect that all Honourable Members will be able to support this Bill. Accordingly, Madam Speaker, I would respectfully ask all Honourable Members to support the Bill.

Thank you.

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

Hon. W. McKeever Bush: Madam Speaker, when the Budget came before this Honourable House, I took the position as I have always taken in my years in this House: I do not vote against a budget unless it is so out of hand that I am so compelled. However, Madam Speaker, I did say that there were matters that I could not support, and, Madam Speaker, revenue measures are such one. No matter how small, our administration took the position over the years that we could not add to the cost of living by putting on any fees. These fees are small. Nevertheless, they add to the cost of living in this country.

We can bear out our position, Madam Speaker. The question was just asked in regards to an application fee that was in the law for tourist transport, and we took the position that those people could not afford to pay that kind, and so we did not charge. As we believe, as I said and I keep repeating, everything adds to the high cost of living in this country, and I feel, Madam Speaker, that there are other areas that the Government could have looked at if they wanted to. I am not therefore, Madam Speaker, going to support the Bill.

The Speaker: Does any other Member wish to speak? Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Madam Speaker, I certainly shall not be very long, I just wish to comment on the Leader of the Opposition's short comments awhile ago. My comments will be short, too.

It just amazes me that he and other Members of the Opposition were quite willing to support the Budget, but then they say they are not supporting the revenue measures. If they supported the Budget but not the revenue measures, the only logical conclusion to that is that you are supporting deficit budgeting.

[Inaudible interjection from Member of the Opposition]

Madam Speaker, suffice it to say that just when we were over there, what we used to say we can say to them now: you do what you think you have to do because you are in the Opposition.

The Speaker: Does any other Member wish to speak? *[Pause]* 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, only to thank Honourable Members for their support of the Bill.

The Speaker: The question is that The Public Recorder (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. The Public Recorder (Amendment) Bill, 2006 has been given a second reading.

Agreed: The Public Recorder (Amendment) Bill 2006 read a second time.

The Local Companies (Control) (Amendment) Bill, 2006

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Speaker. I beg to move the Second Reading of a Bill entitled The Local Companies (Control) (Amendment) Bill, 2006.

The Speaker: The motion has been duly moved and is open for debate. Does the Honourable Third Official Member wish to speak thereto?

Honourable Third Official Member.

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

The Bill that is now before the House seeks to amend the Local Companies (Control) Law (1999 Revision) which is referred to in the Bill as the "principal Law". The Bill, Madam Speaker, consists of four clauses.

Clause 1 will provide the name of the Law, if this Bill is passed, and its effective date of 1 July 2006. Honourable Members and the listening public will know that any company that wishes to carry out business in the Cayman Islands that is not Caymanian controlled, that has less than 60 per cent of its shares

beneficially owned by Caymanians, and less than 60 per cent of its directors being Caymanian, such an entity must apply for a licence to conduct business in the Cayman Islands under the principal Law.

Clause 2 of the Bill would require applications that are made for a licence after this Bill becomes law, assuming it is passed, to be accompanied by a processing fee of \$200. Clause 4 makes it clear that the processing fee of \$200 does not apply to existing licences that have already been granted. Nor will it apply to those applications that have not been concluded upon when this Bill becomes law, if passed by the House.

Clause 3 seeks to increase the present annual licence fee of \$200 to \$2,500. These existing fee levels have remained unchanged since 1972, some 34 years ago, and viewed in this timeframe, Madam Speaker, the proposed changes are modest. Representations were also received from associations within the financial services sector that this was an area in which Government should seek to earn additional revenue during the 2006/7 financial year.

Madam Speaker, I therefore commend the Local Companies (Control) (Amendment) Bill, 2006 to all Honourable Members and respectfully ask that they give it their support. Thank you.

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

Hon. W. McKeever Bush: Madam Speaker, as I indicated—and in the passage of the Bill just read—there are some things in the Budget that we said we could support. Having said that, I did indicate that there are fees that you put on that add to the cost of living. We examined this, Madam Speaker, and we believe that, in fact, if they had looked at it—when you look at the advertisements when an application is made, people have to advertise for an amount of Caymanian input, financial investment and participation. They advertise the amount of investments and they ask—some of them I have seen up to \$60 million.

Here, Madam Speaker, we are adding little bits and pieces that can add to the direct cost of living, and I guess anything that we do, when it comes to expenditure of funds in this country, adds to that, yet we are only charging this sort of percentage when it comes to a local controls licence. I think this is where the Government has fallen down. Madam Speaker, the Government has to get revenue. I believe that revenue should not come from these little areas that can, as I said, put more pressure on our people.

A while ago, for instance, I heard the Leader of Government Business say that it amazed him that we would support the Budget but not the fees. I did indicate that there were some areas of the Budget that we did not support, or could support. Madam Speaker, you do not have to get these little fees to have a balanced budget; that can be found elsewhere.

No one needs to try to point to me to say, 'You are supporting budget deficit,' because we brought at least four budgets, I believe, and all of them were truly balanced, and at 11 May, the day of the General Elections, we had close to \$90 million, or over \$90 million, in the Government's accounts. So, Madam Speaker, no one needs to try to say that I am supporting budget deficit because I did not and I do not. I believe that every country has to live within its means and within its budget.

Massive borrowings, Madam Speaker, and taxes upon the people cannot give the incentive to get the revenue where revenue should come from. In this country it only comes from some areas: tourism, it comes from import duties. Import duties are derived from our biggest industries: tourism, construction and development. So, Madam Speaker, I do not buy any argument that anyone can try to lay blame about budget deficit because we did not do that, and it is not being done today so it has no bearing on these matters.

I do believe that the Bill before the House, as I say when you look at the kind of figures that are advertised—some going as high as \$60 million, some as low as \$7 or \$10 million—I think that is just one area that Government should re-examine and try to come to a better cost. [*Inaudible interjection*] Yes!

The Speaker: Does any other Member wish to speak? The Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker.

Madam Speaker, in listening to the Leader of the Opposition's line of argument, first of all, for quite some time now, he has been spouting off this nearly \$90 million figure of what the previous government left in reserves. First of all, the amount, if I remember correctly, was \$82 million at the time. However, you see, Madam Speaker, when you put all of these figures together and you make public utterances about them in a global fashion, you give the impression that there is \$80 million at hand and that any time you want to use it you can use it, and that is not the case. This total amount that is being referred to—and I want to reiterate there is a big difference, in my view, between \$82 million and \$90 million, and \$82 million it was because that is what the records showed at the time.

Hon. W. McKeeva Bush: Ask him if he was going to give the figure.

Hon. D. Kurt Tibbetts: That figure, Madam Speaker, is comprised of several different funds, one of which is general reserves. Madam Speaker, the Leader of the Opposition also speaks, on many occasions, about this Government "tax, borrow and spend", "tax, borrow and spend". Madam Speaker, none of the funds that are being borrowed in this Budget are being borrowed in order to put funds into general reserves. Twenty-

one million dollars out of that \$82 million that he speaks to were borrowed funds that were placed into general reserves at that time, Madam Speaker. The rate is constant, I know, of 5.03 per cent (or something like that) of interest. The Government is still paying 5-point-something per cent on that \$21 million, and I have no idea now what the investment return is on that money. However, at the time—

Hon. W. McKeeva Bush: You used it when you got into office!

Hon. D. Kurt Tibbetts: At the time, Madam Speaker, *at the time* those returns were less than 2 per cent, as far as I understand it. The Leader of the Opposition has said that we used the money when we went into office. Madam Speaker, how could it be that we used the funds when we just put \$10 million more into general reserves, and when the final figures are done we will be beyond \$100 million with those same figures that he was talking about, the \$82 million?

Hon. W. McKeeva Bush: It is a good thing we—

Hon. D. Kurt Tibbetts: Madam Speaker, it is not about us getting into an argument or cross-talk, but the facts must be laid straight. The fact of the matter is that the revenue measures that are being put forward by the Government, and seeking safe passage through the relevant amending legislation here today, are revenue measures that are needed in order for prudent fiscal management. The Member himself has agreed that the individual amounts are not large amounts, but he comes with his usual story of, '*It is increasing the cost of living*'. He also, Madam Speaker, mentions in some of his debate thus far that there are other areas that we could have considered, but not once during any of this have I heard him say which other areas those might be.

Hon. W. McKeeva Bush: What do you need me to tell you for?

Hon. D. Kurt Tibbetts: Madam Speaker, I do trust that one of those areas is not the area of increasing the licence fees for vehicles, which his newspaper was pontificating on for such a long time that the Government was going to do when the Government had never considered it for once.

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: Madam Speaker, I do not own any newspaper in this country. [*Laughter*] If any-

body owns a newspaper, they ought to see who owned it before he got in office.

An Hon. Member: We know better!

Hon. D. Kurt Tibbetts: What is the point of order, Madam Speaker?

The Speaker: Honourable Leader of the Opposition, I must ask what is the point of order.

Is it what he said, and you are asking for it to be withdrawn? because I did not catch it—

Hon. W. McKeewa Bush: Madam Speaker, I will have some pity on it. I withdraw that point of order.

The Speaker: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker. This is just how debate should be, not personal—and, Madam Speaker, when I referred to “his newspaper”, the Member full well knows that I was not trying to intimate that he—

Hon. W. McKeewa Bush: I do not know what you are—

Hon. D. Kurt Tibbetts: —owned the newspaper.

Hon. W. McKeewa Bush: I do not know what you have—

Hon. D. Kurt Tibbetts: When I say “his newspaper” he knows exactly what it means.

Hon. W. McKeewa Bush: No I do not!

Hon. D. Kurt Tibbetts: What I mean.

However, the fact of the matter is, Madam Speaker, he knows as well as I do that it will be his newspaper today and somebody else’s tomorrow.

[Laughter]

Hon. D. Kurt Tibbetts: We know all of that. Madam Speaker—

Hon. W. McKeewa Bush: Was it yours a few days ago?

The Speaker: Honourable Members, I must quote—
Honourable Leader, if you will give me a minute . . .

Standing Order 48(1) of this House: “**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.**”

I am asking if we could keep our debate, both sides of the House, to the general merits and principles of the Bill—

Hon. W. McKeewa Bush: That is right. You tell him, Madam Speaker.

The Speaker: I have done some research, and the courts of any country, on occasions, have requested the *Hansards* of Parliaments so that they can identify if there is a particular problem with the interpretation—I do not think it has ever happened here—and identify what the intent was of the Parliament when they brought a bill, debated it and passed it.

So can we stick to the general merits—

Hon. W. McKeewa Bush: That is true.

The Speaker: —and principles of the Bill, please?

Hon. W. McKeewa Bush: That is right.

The Speaker: Both sides of the House.

Hon. W. McKeewa Bush: Uh-huh!

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker. I absolutely agree with you from this side.

Madam Speaker, suffice it to say that this Bill that is before the House is simply part and parcel of a bigger picture which involves a budget that shows a projected operational surplus, it shows that the borrowings that are proposed are not only needed but affordable, and, Madam Speaker, it shows the vision of this Government with the plan that we have come to office with simply being implemented. Madam Speaker, let me say on behalf of the Government, we do intend to stick to that plan notwithstanding any impediment attempted by the Opposition.

Thank you.

The Speaker: Does any other Member wish to speak?

Hon. W. McKeewa Bush: What a joke! Can I get a second chance?

The Speaker: Does any other Member wish to speak? [Pause] 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. I would like to start by thanking the two Honourable Members, the Leader of Government Business and the Leader of the Opposition, for their remarks.

Madam Speaker, I will just make some very brief concluding remarks for the benefit of the House. At the time the Government considered this particular

matter there were approximately 343 companies that had a Local Companies Control Licence in the Cayman Islands. It is tempting to go to one end of the spectrum and concentrate on the large entities that have such licences, such as the two entities that are involved with gasoline and diesel importing operations in the Cayman Islands, and see that the amount that they have to pay for the licence is relatively small. That is at one end of the spectrum, and so it is very tempting to suggest large increases. What we did discover, Madam Speaker, is that there were far more numerous smaller entities that also have Local Companies Control Licences. The area that I particularly recall was that there were quite a few tourism guest homes, or guest houses, that provide services that actually had a Local Companies Control Licence. So the Government resisted the temptation, Madam Speaker, of applying a much larger increase to all entities because it would affect all and sundry.

With those remarks, Madam Speaker, I would therefore thank all Honourable Members for their support of the Bill. Thank you.

The Speaker: The question is that The Local Companies (Control) (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. The Local Companies (Control) (Amendment) Bill, 2006 has been given a second reading.

Agreed. The Local Companies (Control) (Amendment) Bill, 2006 read a second time.

The Companies (Amendment) Bill, 2006

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Speaker. I beg to move the Second Reading of a Bill entitled The Companies (Amendment) Bill, 2006.

The Speaker: The motion has been duly moved and is open for debate. Does the Honourable Third Official Member wish to speak thereto?

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

The Bill now before the House seeks to amend the Companies Law (2004 Revision) which is referred to as being the "principal Law". The Bill itself consists of three clauses. Clause 1 would provide the name of the amending Law and that it would come into force on 1 July 2006. Clause 2 seeks to increase the present fee of \$20 to strike off a company from the companies register to \$25. The present \$20 fee has remained unchanged since 2001. Clause 3 seeks to

increase the present fee levels of various items shown at section 219 of the principal Law.

The present \$25 fee for filing any Resolution, Notice, Return or other document with the Registrar of Companies is proposed to be increased to \$30. The present \$41 fee for the Registrar of Companies issuing any certificate is proposed to be increased to \$82, which is equivalent to US\$100. The existing \$41 fee for the Registrar of Companies providing a copy of any document is proposed to be increased to \$82, and the existing \$15 for the Registrar performing a general search for items at the Registry that are requested by the Registry's clients is proposed to be increased to \$25.

Madam Speaker, changes proposed in the Bill are consistent with the revenue measures package that the Government detailed when the Appropriation Bill for the 2006/7 financial year was debated. The increases also outlined in this Bill have the support of private sector associations within the financial services sector. The Government and the General Registry Department gave careful consideration to ensure that the proposed fee increases would not render the Cayman Islands uncompetitive.

Madam Speaker, I therefore commend the Bill to Honourable Members and ask that they give it their support. Thank you.

The Speaker: Does any other Member wish to speak? *[Pause]* 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: Just to thank all Honourable Members for their silent support.

The Speaker: The question is that The Companies (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. The Companies (Amendment) Bill, 2006 has been given a second reading.

Agreed. The Companies (Amendment) Bill, 2006 read a second time.

The Exempted Limited Partnership (Amendment) 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 Exempted Limited Partnership (Amendment) Bill, 2006.

The Speaker: The motion 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, Madam Speaker.

Madam Speaker, the Bill consists of two clauses. Once again, clause 1 would provide the short title of the proposed Law and that it would bring the Law into effect on 1 July 2006. Madam Speaker, clause 2 of the Bill has, as its main purpose, what I would regard as being a technical, or a consistency adjustment to the principal Law so that it is made more current and brought up-to-date with existing penalty regimes in the Companies Law. Madam Speaker, clause 2 of the Bill would seek to amend section 19 of the principal Law; and with your permission, Madam Speaker, when we take a look at section 19 of the principal Law, it speaks to the penalties that are payable if, certainly, fees are not paid by their due date of 31 January of each year by an exempted limited partnership. Subsection 2 of the principal Law, Madam Speaker, outlines that there is a penalty of \$10 for each day that those fees remain unpaid. That type of regime, Madam Speaker, \$10 per day, does not rest consistent with the Companies Law regime penalty, and what the Bill proposes here in clause 2 would make the Exempted Limited Partnership Law consistent with the penalty regime in the Companies Law.

So the proposal, Madam Speaker, is that in the instance where an exempted limited partnership does not pay their due annual licence fee of \$750 by 31 January of each year, and it remains unpaid all the way through to 31 March and the payment is made in the second quarter of the year, then there is a penalty fee of 33.33 per cent of the annual fee and so forth. If the payment remains outstanding until the third quarter, it increases to 66.67 per cent of the annual fee and so forth. So, Madam Speaker, this is, essentially, a technical or a "tidy up" Bill to make the Exempted Limited Partnership Law consistent with the regime in the Companies Law.

Thank you.

The Speaker: Does any other Member wish to speak? *[Pause]* 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: Just to thank all Honourable Members for their silent support. Thank you.

The Speaker: The question is that The Exempted Limited Partnership (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. The Exempted Limited Partnership (Amendment) Bill, 2006 has been given a second reading.

Agreed: The Exempted Limited Partnership (Amendment) Bill, 2006 read a second time.

The Speaker: Proceedings will be suspended for 15 minutes.

Proceedings suspended at 12.08 pm

Proceedings resumed at 12.48 pm

The Speaker: Please be seated. Proceedings are resumed.

PRESENTATION OF PAPERS AND OF REPORTS *(Recommittal)*

Financial Statements of the Cayman Islands Health Insurance Fund: 31 December 2001 and 2000; 31 December 2002 and 2001; and 14-month period ended 29 February 2004 and 31 December 2002

The Speaker: Before we go into Committee, I will call on the Honourable Minister of Health to lay his reports.

Hon. Anthony S. Eden: Thank you, Madam Speaker. I beg to lay the Cayman Islands Health Insurance Segregated Fund, the three years that were missing: 2000 and 2001; 2001 and 2002; and 2002 and 2004. Thank you, Madam Speaker, for assisting in the laying of these documents.

The Speaker: So ordered. The House will now go into Committee to consider the Bills.

House in Committee at 12.50 pm

COMMITTEE ON BILLS

The Chairman: This Honourable House is now in Committee. Please be seated. 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 the clauses?

The Mosquito (Research and Control) (Amendment) Bill, 2006

Clauses 1 through 4

The Clerk:

Clause 1	Short title
Clause 2	Amendment of section 2 of the Mosquito (Research and Control) Law (1998 Revision) – definitions
Clause 3	Amendment of section 25 – disinfection of aircraft and ships
Clause 4	Validation

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 Mosquito Research And Control) Law (1998 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 Penal Code (Amendment) Bill, 2006 Clauses 1 through 3

The Clerk:

Clause 1	Short title
Clause 2	Repeal and substitution of section 261 of the Penal Code (2005 Revision) – destroying or damaging property
Clause 3	Saving (2005 Revision)

The Chairman: 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.

The Clerk: A Bill For A Law To Amend The Penal Code (2005 Revision) With Respect To Malicious Injury To Property; 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 Public Recorder (Amendment) Bill, 2006

Clauses 1 through 4

The Clerk:

Clause 1	Short title and commencement
Clause 2	Amendment of section 4 – documents for recording
Clause 3	Amendment of section 5 – copies of documents
Clause 4	Amendment of section 6 – search

The Chairman: The question is that clauses 1 through 4 do form part of the Bill. All those in favour, please say Aye.

Ayes.

The Chairman: The Ayes have it.

Agreed. Clauses 1 through 4 passed.

The Clerk: A Bill For A Law To Amend The Public Recorder Law (1996 Revision) To Raise The Fees For Recording Document, Taking Copies Of Documents And Searches; 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 Local Companies (Control) (Amendment) Bill, 2006

Clauses 1 through 4

The Clerk:

Clause 1	Short title and commencement
Clause 2	Amendment of section 10 – application for licence
Clause 3	Repeal of section 13 and substitution – fee payable by licensed company
Clause 4	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 Local Companies (Control) Law (1999 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 Companies (Amendment) Bill, 2006

Clauses 1 through 3

The Clerk:

Clause 1	Short title
Clause 2	Amendment of section 175 – Company not operating may be struck off register
Clause 3	Amendment of section 219 – fees in lieu of other provisions

The Chairman: 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.

The Clerk: A Bill For A Law To Amend The Companies Law (2004 Revision) To Increase The Fees For Striking Companies Off The Register; For Filing Resolutions, Notices, Returns And Other Documents; For Issuing Certificates; For Providing Copies Of Documents; For General Searches; 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 Exempted Limited Partnership (Amendment) Bill, 2006

Clauses 1 and 2

The Clerk:

Clause 1	Short title and commencement
Clause 2	Amendment of section 19 – annual return

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 Exempted Limited Partnership Law (2003 Revision) To Change The Manner Of Charging Penalties For Late Annual Returns; 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. The Bills will accordingly be reported to the House.

Agreed: Bills to be reported to the House.

The Chairman: The House will now resume.

House Resumed at 12.59 pm

REPORTS ON BILLS

The Speaker: Please be seated. Proceedings are resumed.

The Mosquito (Research and Control) (Amendment) Bill, 2006

The Speaker: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you. Madam Speaker, I have to report that a Bill for a Law to Amend the Mosquito (Research and Control) Law (1998 Revision); and for Incidental and Connected Purposes has received a second reading, gone into Committee and passed through Committee stage without amendments.

The Speaker: The Bill has been duly reported and is set down for the Third Reading.

The Penal Code (Amendment) Bill, 2006

The Speaker: Honourable Second Official Member.

Hon. Samuel W. Bulgin: Thank you, Madam Speaker. Madam Speaker, I beg to report that a Bill entitled The Penal Code (Amendment) Bill, 2006 was considered by a Committee of the whole House and passed. Thank you.

The Speaker: The Bill has been duly reported and is set down for the Third Reading.

The Public Recorder (Amendment) Bill, 2006

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Madam Speaker, I am to report that a Bill entitled The Public Recorder (Amendment) Bill, 2006 was considered by a Committee of the whole House and passed without amendments.

The Speaker: The Bill has been duly reported and is set down for the Third Reading.

The Local Companies (Control) (Amendment) Bill, 2006

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Madam Speaker, I am to report that a Bill entitled The Local Companies (Control) (Amendment) Bill, 2006 was considered by a Committee of the whole House and passed without amendments. Thank you.

The Speaker: The Bill has been duly reported and is set down for the Third Reading.

The Companies (Amendment) Bill, 2006

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Madam Speaker, I am to report that a Bill entitled The Companies (Amendment) Bill, 2006 was considered by a Committee of the whole House and passed without amendments. Thank you.

The Speaker: The Bill has been duly reported and is set down for the Third Reading.

The Exempted Limited Partnership (Amendment) Bill, 2006

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Madam Speaker, I am to report that a Bill entitled The Exempted Limited Partnership (Amendment) Bill, 2006 was considered by a Committee of the whole House and passed without amendments.

The Speaker: The Bill has been duly reported and is set down for the Third Reading.

THIRD READINGS

The Mosquito (Research and Control) (Amendment) Bill, 2006

The Speaker: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Madam Speaker, I move that a Bill entitled A Bill for a Law to Amend the Mosquito (Research and Control) Law (1998 Revision); and for Incidental and Connected Purposes be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled The Mosquito (Research and Control) (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 Mosquito (Research and Control) (Amendment) Bill, 2006 has been read a third time and passed.

Agreed. The Mosquito (Research and Control) (Amendment) Bill 2006 given a third reading and passed.

The Penal Code (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 Penal Code (Amendment) Bill, 2006 be given a third reading and passed.

The Speaker: The question is that a Bill entitled The Penal Code (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 Penal Code (Amendment) Bill, 2006 has been read a third time and is passed.

Agreed. The Penal Code (Amendment) Bill 2006 given a third reading and passed.

The Public Recorder (Amendment) Bill, 2006

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Madam Speaker, I beg to move that a Bill entitled The Public Recorder (Amendment) Bill, 2006 be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled The Public Recorder (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 Public Recorder (Amendment) Bill, 2006 has been read a third time and is passed.

Agreed. The Public Recorder (Amendment) Bill 2006 given a third reading and passed.

The Local Companies (Control) (Amendment) Bill, 2006

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Madam Speaker, I beg to move that a Bill entitled The Local Companies (Control) (Amendment) Bill, 2006 be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled The Local Companies (Control) (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 Local Companies (Control) (Amendment) Bill, 2006 has been read a third time and is passed.

The Companies (Amendment) Bill, 2006

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Madam Speaker, I beg to move that a Bill entitled The Companies (Amendment) Bill, 2006 be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled The Companies (Amendment) Bill, 2006 be given a third reading and passed. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Companies (Amendment) Bill, 2006 has been read a third time and is passed.

Agreed. The Companies (Amendment) Bill 2006 given a third reading and passed.

The Exempted Limited Partnership (Amendment) Bill, 2006

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Madam Speaker, I beg to move that a Bill entitled The Exempted Limited Partnership (Amendment) Bill, 2006 be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled The Exempted Limited Partnership (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 Exempted Limited Partnership (Amendment) Bill, 2006 has been read a third time and is passed.

Agreed. The Companies (Amendment) Bill 2006 given a third reading and passed.

GOVERNMENT BUSINESS

MOTIONS

GOVERNMENT MOTION NO. 1/06-07

Amendment to the Development Plan 1997 Proposed Rezoning – South Church Holdings

The Speaker: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker. With your permission, I beg to move the Government Motion No. 1/06-07 entitled the Amendment to the Development Plan 1997 Proposed Rezoning – South Church Holdings.

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. With your permission, I will read the motion and then give a few comments. The motion reads:

WHEREAS in early 2004, the Central Planning Authority received an application for the rezoning of Registration Section, George Town South, Block 14E, Parcels 681 and 718 from Neighborhood Commercial to General Commercial;

AND WHEREAS at a meeting of the Central Planning Authority on 7th April 2004 the Authority resolved to proceed with the amendment to the Plan, namely “to proceed with the rezoning request”;

AND WHEREAS in accordance with Section 11(2) of the Development and Planning Law (2003 Revision), Public Notices of the Authority’s intention to amend the Plan, were published in the *Cayman NetNews* on the 20th, 21st, 26th, and 28th April 2004;

AND WHEREAS four (4) objections were received within the statutory period of two months;

AND WHEREAS on 30th June 2004, the Central Planning Authority considered the application in light of the public review process and it was resolved to forward the proposed amendments and letters of objection to the Planning Appeals Tribunal to hold a hearing on the proposed rezoning;

AND WHEREAS on 30th January 2006, the Planning Appeals Tribunal heard the application and recommended that “both parcels be rezoned General Commercial in keeping with the zoning of most of the adjoining parcels and in light of the submissions heard by the Tribunal;

AND WHEREAS on 15th March 2006 the Central Planning Authority considered the application and the Tribunal’s report and resolved to recommend that the rezoning be forwarded to the Ministry of District Administration, Planning, Agriculture and Housing to be forwarded to the Legislative Assembly for approval;

AND WHEREAS on 18th April, 2006, Cabinet approved the rezoning application and further that the matter be referred on to the Legislative Assembly;

BE IT NOW THEREFORE RESOLVED THAT in accordance with Section 10(2) (b) of the Development and Planning Law (2005 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 BE IT FURTHER RESOLVED that Registration Section, George Town South, Block 14E Parcels 681 and 718, be rezoned from Neighborhood Commercial to General Commercial.

Madam Speaker, in early 2004 the Central Planning Authority (CPA) received a rezoning request from South Church Holdings regarding the above-mentioned lands; that is, George Town South, Block 14E, Parcels 681 and 718. The subject parcels have a combined total area of three acres, and they are situated on South Church Street next to Uglan House. The proposal calls for the parcels to be rezoned from their current zoning of Neighborhood Commercial to that of General Commercial.

At a (CPA) meeting on 7 April 2004, the Authority resolved to proceed with the amendment to the Plan, which is “to proceed with the rezoning request”. As mentioned in the Motion, the requirements of Section 11(2) of the Development and Planning Law (2005 Revision), were met by publication in the *Cayman NetNews* on four different occasions of notices of the Authority’s intention to amend the development plan. The four objections were received within the time period and the CPA considered the application in light of the public review process, along with the four objections. Having resolved to forward the proposed amendments and the letters of objections to the Planning Appeals Tribunal, the Appeals Tribunal then held a hearing earlier on this year. They heard the application on 30 January of this year and considered the matter very carefully and have recommended that both parcels be rezoned as requested. Madam Speaker, having heard all of the facts, and the fact that the request was made from 2004 and all the processes have been followed, the Ministry, on the advice of Cabinet, have now forwarded it to the Legislative Assembly and hence the Government Motion.

Madam Speaker, I will not go into all the details of the objections, but, obviously, there is no question regarding the competence of the Chair, nor the membership of the Planning Appeals Tribunal, and, certainly, there is no reason why, based on their legal advice, we should not adhere to the recommendations.

Thank you.

The Speaker: Does any other Member wish to speak? [*Pause*] Does any other Member wish to speak? If not, does the Honourable Member wish to exercise his right of reply?

Hon. D. Kurt Tibbetts: Madam Speaker, only to make the assumption and thank Members for their support.

The Speaker: The question is, “**Be it now therefore resolved that in accordance with Section 10(2)(b) of the Development and Planning Law (2005 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 be it further resolved that Registration Section, George Town South, Block 14E**

Parcels 681 and 718, be rezoned from Neighborhood Commercial to General Commercial.” All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. Government Motion No. 1/06-07 is duly passed.

Agreed. Government Motion No. 1/06-07 passed.

GOVERNMENT MOTION NO. 02/06-07

Amendment to the Development Plan 1997 Proposed Rezoning – A.L. Thompson Sr.

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

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker. I beg to move Government Motion No. 02 / 06-07 which reads as follows:

WHEREAS in 1999, the Central Planning Authority received an application for the rezoning of Registration Section, West Bay Beach South, Block 12D Parcels 86, 98, Block 12E 60Rem3 (part) & 61, Block 13B Parcel 211 from Low Density Residential to Neighborhood Commercial;

AND WHEREAS the CPA originally considered the application in May of 1999 (CPA / 13 / 99 Item 10.03), the Authority opted not to forward the application to Government for further consideration due to concerns regarding lot size and the inconsistency with surrounding zoning;

AND WHEREAS the CPA again considered the application in June of 2003 (CPA / 17 / 03 Item 6.01), and at that time the CPA resolved to initiate the rezoning process;

AND WHEREAS applications were advertised in the *Cayman NetNews* on 28th and 29th August and 4th and 5th September 2003, in accordance with [S]ection 11(3)(a) of the Development and Planning Law (2003 Revision), the proposed amendments were on public display at the Planning Department from 5th September 2003 to 5th November 2003. No objections were received;

AND WHEREAS on 12th November 2003, the CPA again considered the application in light of the public review process (CPA / 32 / 03 Item 6.05) and it was resolved to forward the proposed amendments to the Ministry with the recommendation that the proposed amendments be forwarded to the Legislative Assembly for approval;

AND WHEREAS on 18th April 2006, Cabinet approved the rezoning application and further resolved that the matter be referred on to the Legislative Assembly;

BE IT NOW THEREFORE RESOLVED THAT in accordance with Section 10(2) (b) of the Development and Planning Law (2005 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 BE IT FURTHER RESOLVED that, Registration Section, West Bay Beach South, Block 12D Parcels, 86, 98, Block 12E 60Rem3 (part) & 61, Block 13B Parcel 211 be rezoned from Low Density Residential to Neighborhood Commercial.

The Speaker: The motion has been duly moved and is open for debate. Does the Honourable Member wish to speak thereto?

Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, as the motion itself clearly indicates, there were no objections within the two-month period of public display and, indeed, during the four listed dates of advertising. The subject parcels have a combined total area of 7.423 acres and, Madam Speaker, they are located on Lawrence Boulevard. They include the Islander Complex and the lands across from the Islander Complex. The proposal calls for the parcels to be rezoned from the current zoning of Low Density Residential to Neighborhood Commercial.

Madam Speaker, the CPA resolved to initiate the rezoning process for these parcels in June of 2003, some three years ago, and on 18 April 2006, the Governor in Cabinet approved the rezoning applications and further noted that the matter should be referred on to the Legislative Assembly, hence the Government Motion. Madam Speaker, not only has it been long enough for the matter to be resolved some three years later, but there is absolutely no reason why we should not proceed with the rezoning.

Thank you.

The Speaker: Does any other Member wish to speak? *[Pause]* Does any other Member wish to speak? *[Pause]* If not, does the Honourable Leader of Government Business wish to exercise his right of reply?

Hon. D. Kurt Tibbetts: Madam Speaker, again, to thank Members for their support.

The Speaker: The question is, “Be it now therefore resolved that in accordance with Section 10(2) (b) of the Development and Planning Law (2005 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 be it further resolved that, Registration Section, West Bay Beach South, Block 12D Parcels, 86, 98, Block 12E 60Rem3 (part) & 61,

Block 13B Parcel 211 be rezoned from Low Density Residential to Neighborhood Commercial.” All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. Government Motion No. 2/06-07 is duly passed.

Agreed. Government Motion No. 2/06-07 passed.

ADJOURNMENT

The Speaker: That completes the Business before the House, and I will entertain a motion for the adjournment.

Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, there are a few other matters that were on Business Papers to be considered at this meeting under the Governor (Vesting of Lands) Law. The Business Committee, by Round Robin, is satisfied that these matters can wait for the next meeting of the Legislative Assembly.

Madam Speaker, the truth is, some of us are off-Island tomorrow, and these matters can be moved forward when we hold our next meeting as per your schedule on Friday, 28 July 2006. Also, Madam Speaker, there are some questions which were not able to be answered within this time period, and Members can indicate . . . Pardon me just for one second, Madam Speaker. *[Pause]*

Pardon me, Madam Speaker, but I was just wisely informed by the Honourable Third Official Member that the Stamp Duty Regulations that were recently approved in Cabinet have to be tabled in the Legislative Assembly. So whereas the original intention was to move the adjournment of the House until Friday, 28 July 2006, I will have to crave your indulgence, Madam Speaker, to move the adjournment of this Honourable Legislative Assembly.

The Speaker: Have the Stamp Duty Regulations reached the Business Paper of the House?

Hon. D. Kurt Tibbetts: Not yet, Madam Speaker.

The Speaker: Then, in order for us to continue, the Governor (Vesting of Lands) Law will have to also come because the Standing Order says once the Business Paper is complete, then . . . So just adjourn until tomorrow morning.

Hon. D. Kurt Tibbetts: Madam Speaker, that is not—forgive me, but the Stamp Duty Regulations are not quite ready yet, they have not reached a Business Paper. So I would humbly request that we adjourn sine die, and as soon as we know where we are at we

will advise Members when we have to resume. Thank you.

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 does now stand adjourned sine die.

At 1.26 pm the House stood adjourned sine die.

OFFICIAL HANSARD REPORT
FRIDAY
9 JUNE 2006
10.27 AM
Eleventh Sitting

The Speaker: I call on the Honourable Minister responsible for Communications, Works and Infrastructure to say Prayer.

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 10.30 am

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

The Speaker: I have received apologies for the late—oh. This was from the First Official Member, but I see he has arrived.

**PRESENTATION OF PAPERS
AND OF REPORTS**

Report and Recommendation of the Minister Responsible for Lands – Vesting of Crown Land by way of Lease Extension – Block 11D Parcel 4/1/5 to Governors Square Ltd.

The Speaker: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you. Madam Speaker, I beg to lay on the Table of this Honourable House the Report on Crown property that has been prepared in accordance with the requirements of the Governor (Vesting of Lands) Law (1998 Revision). I confirm that as required by the Law, the details of this land matter have been published in the Cayman Islands Gazette Extraordinary Issue No. 8/2006 dated 18 April 2006, and a local newspaper, namely *Cayman Net News* on 19 April 2006. Also, as required by the Law, three valuations have been carried out on the subject property; each valuation report forms part of the overall Report and provides a general indication of the value of the property that Government now proposes to vest by way of lease extension.

The Speaker: Honourable Leader of Government Business, are you speaking to this paper because I have not ordered it to be laid?

Hon. D. Kurt Tibbetts: Madam Speaker, just the two paragraphs and then I was going to lay it. That is all. I was not going to—

The Speaker: Okay, go ahead. I am sorry.

Hon. D. Kurt Tibbetts: That is fine.

As I was saying, Madam Speaker, the Report deals with the lease extension of Block 11D Parcel 4/1/5 to Governors Square Ltd., and this property is located on West Bay Road at the junction with Lime Tree Bay Avenue. The parcel is approximately 8.197 acres. After careful analysis and consideration, based on the recommendations of the Lands and Survey Department, it was resolved that the lease should be extended from 44 to 99 years, for a figure of US \$1,250,000. Therefore, Madam Speaker, I would ask your permission to table this Report.

The Speaker: So ordered.

The Speaker: Does the Honourable Leader of Government Business wish to speak thereto?

Hon. D. Kurt Tibbetts: No, Madam Speaker. The information contained and attached to the Report explains the entire procedure.

Report and Recommendation of the Minister Responsible for Lands – Vesting of Crown Land – Block 44B Parcel 15 to the Estate of Alice Carter and Adella Carter Medina

The Speaker: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Madam Speaker, just to be sure this time, may I [follow] the same procedure, or should I simply beg to lay and then seek your permission?

The Speaker: Honourable Leader of Government Business, we beg to lay and then we order and then you will speak thereto.

Hon. D. Kurt Tibbetts: Okay. Madam Speaker, I beg to lay on the Table of this Honourable House the Report on Crown property that has been prepared in accordance with the requirements of the Governor (Vesting of Lands) Law Block 44B Parcel 15 Bodden Town, the Estate of Alice Carter and Adella Carter Medina (deceased).

The Speaker: So ordered.

Does the Honourable Leader of Government Business wish to speak thereto?

Hon. D. Kurt Tibbetts: Madam Speaker, the Report and the attachments are, really, self-explanatory, but just a few short notes for the information of Members.

As required by the Law, Madam Speaker, the details of this land matter have been published in the Cayman Islands Gazette Extraordinary Issue No. 3 dated 8 February 2005, and also a local newspaper, *Cayman Net News*, on 9 February 2005. Also as required by the Law, the three valuations have been carried out on the subject property, and each of these valuation reports forms part of the overall Report and provides a general indication of the value of the property that the Government now proposes to vest.

The Report itself deals with the disposition, Madam Speaker, of Block 44B Parcel 15, to the Estate of Alice Carter and Adella Carter Medina. The property is located on the sea side of Bodden Town, about 270 feet east of the Manse Road. The area of the parcel is approximately 0.3 of an acre, and it was unclaimed at the time of cadastral and has since been held by the Governor of the Cayman Islands as Crown land unclaimed.

A claim in respect of the parcel was submitted on behalf of the Estate of Alice Carter and Adella

Carter Medina (deceased). The Report on this matter was considered by the Governor in Cabinet, and after careful analysis and consideration of the reports provided by the director of Lands and Survey and the Legal Department, together with the documentation provided by the claimant to substantiate the claim in September 2004, it was resolved that the parcel should be transferred to the Estate of Alice Carter and Adella Carter Medina for NIL consideration. Just to stress the timing, Madam Speaker, this was done in September of 2004.

Thank you.

The Stamp Duty (Rates of Duty) Regulations, 2006

The Speaker: Honourable Third Official Member.

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

Madam Speaker, I beg to lay on the Table of this Honourable House, The Stamp Duty (Rates of Duty) Regulations, 2006.

The Speaker: So ordered.

Does the Honourable Third Official Member wish to speak thereto?

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

Madam Speaker, the Stamp Duty Regulations that have just been tabled were prepared in accordance with section 27 of the Stamp Duty Law (2005 Revision). Section 27(2) of that Law requires that any regulations made that may vary the Schedule to the Law are subject to a negative resolution of the Legislative Assembly. The negative resolution process means that the regulations must remain on the Table of the House for a period of three weeks before they come into effect, unless the Regulations are successfully challenged during that three-week period.

Regulation 1 indicates the Stamp Duty Regulations are due to come into force on 1 July 2006, the start of the upcoming financial year. These Regulations, Madam Speaker, are entirely consistent with the revenue measures package that was detailed by Government during its guidance of the Appropriation Law for the 2006/7 financial year through the House. The main provisions of the regulations are as follows:

Under the section in the Schedule to the Law marked "CONVEYANCE OR TRANSFER", certain registration sections in West Bay and George Town will attract a stamp duty rate of 7.5 per cent. Principally, these are parcels of property along the West Bay Road area and certain parts of George Town. When Caymanians acquire property in areas other than these specifically defined parcels, the rate of stamp duty payable by Caymanians is 4 per cent, which is obviously a reduction to the present 5 per cent duty rate. The Regulations also provide that non-Caymanians acquiring property in the areas other

than the specifically defined will pay a stamp duty rate of 6 per cent.

Madam Speaker, the Regulations detail, as previously announced, that a special concession will be granted to Caymanians that acquire property as first-time, owner-occupied homes, and the acquisition of undeveloped land for the purpose of eventually building their first owner-occupied home. There is no charge to duty if a first-time Caymanian buys a developed property, or a property with a building on it, if the value is \$200,000 or less. This represents an increase of \$50,000 over the present limit.

There is also no charge to duty if a first-time Caymanian acquires land that has a consideration of \$50,000 or less, which would represent a \$15,000-limit increase over the present figure of \$35,000. A 2 per cent rate of duty is charged in respect of developed property by Caymanians acquiring property for the first time if the value of the property exceeds \$200,000 but does not exceed \$300,000, and in the case of land by itself, the 2 per cent rate is applicable if the value of the land exceeds \$50,000 but does not exceed \$75,000. If the property purchased by a Caymanian acquiring property for the first time exceeds \$300,000, or in the case of undeveloped property and it exceeds \$75,000, the applicable rate of duty will be 4 per cent.

Madam Speaker, the Regulations that have just been tabled, and specifically, Regulation 2(i)(9) on page seven of those Regulations, contain a definition of "Caymanian". The present definition, as stated in those Regulations says, "**For the purpose of this head of duty, "Caymanian" means a person with Caymanian status within the meaning of the Immigration Law (1997 Revision).**" Madam Speaker, that is not entirely the best definition that could be had for a Caymanian, and I am therefore proposing that the definition of "Caymanian" actually be changed to reflect that for the purpose of this head of duty, "Caymanian" has the meaning ascribed to it in the Immigration Law, 2003.

Madam Speaker, efforts are being made to have an amended page to reflect this proposed revised definition of "Caymanian", to be made available to all Honourable Members shortly.

Thank you, Madam Speaker.

QUESTIONS TO HONOURABLE MINISTERS/MEMBERS OF THE CABINET

The Speaker: Question No. 7 stands in the name of the Third Elected Member for the district of West Bay and is addressed to the Honourable Leader of Government Business and Minister responsible for District Administration, Planning, Agriculture and Housing.

Third Elected Member for the district of West Bay.

Question No. 7

No. 7: Mr. Cline A. Glidden, Jr. asked the Honourable Leader of Government Business, the Minister responsible for the Ministry of District Administration, Planning, Agriculture and Housing what are Government's plans for the CAT BOAT CLUB – Block 13EH, Parcel 167 – situated next to the Lobster Pot.

The Speaker: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Madam Speaker, following Hurricane Ivan the building next to the Lobster Pot Public Ramp, which was used by the Cat Boat Club was severely damaged and reports by both Lands & Survey and PWD recommended that the building be demolished and the site cleared as it was a dangerous structure, beyond economic repair and was being used for illegal purposes. The recommendation also included the site be paved and be used as additional car parking for the benefit of the public using the public ramp.

In September 2005 Cabinet agreed with the recommendation and instructed Lands & Survey to start the process of tendering for the demolition of the building. However the Cat Boat Club on hearing this made representations that the building should be saved as it is of historical and architectural importance to the Cayman Islands.

Cabinet then instructed Lands & Survey to stop the process of tendering and enter into a licence agreement with the Cat Boat Club so that they could clear up the debris from Ivan, secure the property from trespassers and illegal uses and use what remains of the property temporarily whilst the Cat Boat Club produced their detailed plans for the future of the building together with a programme and costs, either to rebuild it in the same location or move it to another position on the site.

Madam Speaker, as of now we await receipt of their new plans.

The Speaker: Are there any supplementaries? Are there any supplementaries? If there are no supplementaries, we will move on to the next item.

STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF THE CABINET

Advertorial by the Leader of the Opposition in Friday 2 June 2006 edition of the Cayman Net News "CUC Gets its Way?"

The Speaker: I have received notice of a statement from the Honourable Minister responsible for Communications, Works and Infrastructure.

Honourable Minister.

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

Madam Speaker, I refer to the advertorial by the Leader of the Opposition in the Friday 2 June 2006 edition of the *Cayman Net News* "CUC Gets its Way?" The advertorial reflects a poor knowledge and understanding of its subject, or alternatively, a desire to mislead the public, or both.

The Leader of the Opposition states that it was an "extraordinary coincidence" that CUC provided its interim results to Government in early May 2005. Quite to the contrary, CUC was required by its licence to present these results for the year ended 30 April, with the indicated rate increase to take effect on 1 August, subject to final certification by auditors. Under its licence, Madam Speaker, CUC was contractually entitled to a rate increase of 9.5 per cent. Government negotiated with CUC to reduce this rate to a temporary surcharge of 4.7 per cent to recover some of the losses associated with the hurricane. The surcharge will terminate in August 2008 or earlier if increases in electricity sales exceed the budget and the surcharge is collected faster. A temporary surcharge is a practice applied in many jurisdictions following a catastrophic event that causes the utility to incur major losses beyond its control, and in fact was a practice agreed to by the former UDP Government in the previous Heads of Agreement. Additionally, Government obtained a commitment from CUC to freeze its rates while the surcharge is in effect. As a result, the 2 per cent rate increase that CUC's interim results indicated this year will not be implemented.

The Leader of the Opposition goes on to suggest that fuel costs should not be a pass-through to consumers but should be borne, at least in part, by the shareholders of CUC since this will increase the cost of living to consumers. However, in the previous Heads of Agreement (which the Leader of the Opposition cited with approval) the UDP Government agreed that CUC should pass through all fuel costs. The Leader of the Opposition either did not at the time appreciate that fuel prices could increase, or his remarks are intended to deliberately withhold the facts of the Heads of Agreements that his government negotiated from the public and create unrealistic expectations.

The Leader of the Opposition goes on to state that CUC will make a 15 per cent profit on the cost of the new generator, which will have to be borne by the consumers. It appears the Leader of the Opposition does not understand that CUC would no longer be entitled to a return on asset base under any new licence. Instead, CUC's rates would be performance-based. However, as with any electricity supplier (or indeed any business), CUC must be entitled to recover its cost of service in the rates charged.

Madam Speaker, the Leader of the Opposition believes that the additional generating capacity to be introduced in summer 2007 should be subject to competitive solicitation. Here the Leader of the Opposition contradicts himself. The new generator will supply only 16 megawatts of electricity; about one-half of the

27 to 32 megawatts the Leader of the Opposition says is required to attract new bidders to enter the market. The Leader of the Opposition also fails to understand that a lead time of about three years is required to introduce new generating capacity via a competitive solicitation process. In addition to the time requirements of the process itself, allowance would have to be made for any new entrant to purchase land, obtain the necessary permits and approvals and build a generating station. Further, CUC presently holds the exclusive right to generate and distribute electricity in Grand Cayman. Clearly, since a final agreement with CUC has not yet been concluded, and CUC is not yet regulated by the Electricity Regulatory Authority (ERA) Law, it was not possible for the additional generating capacity required in summer 2007 to be placed under a competitive bid solicitation.

Madam Speaker, the Leader of the Opposition feels that CUC's decision to purchase new generating capacity at this time sabotages the previous agreement for competition in that any additional capacity CUC requires for the next 20 years will be too low to attract other bidders. Clearly, the Leader of the Opposition lacks the relevant information that a combination of CUC's planned generator retirements and forecasted load growth will allow a number of similar or greater increments in generating capacity over the next 20 years as a result of new developments. For instance, according to a recent press report, the Ritz-Carlton, Grand Cayman, which opened in January 2006, has become CUC's largest customer. Similarly, the Oriental Mandarin hotel is expected to open in 2008.

Later, the Leader of the Opposition suggests that the decision of CUC to purchase a generator at this time must mean that Government will renew its existing licence on similar terms. The faster than expected post-hurricane reconstruction and the current construction boom, has meant that need for new capacity arose before a new licence could be negotiated. CUC cannot stop investing today because its licence expires in January 2011. Madam Speaker, to do so would most certainly put CUC in a position that it could not fulfil its obligation to serve reliably under its licence. This addition of generating capacity therefore does not suggest that CUC's existing licence will be renewed on similar terms, and CUC is under no such illusion. It is anticipated (as in the previous Heads of Agreement under the UDP Government) that as a result of these negotiations, CUC will receive a transmission and distribution licence and a generation licence in respect of existing capacity including the 2007 increment. It is still contemplated that a competitive bidding process will be used for all future rounds of generation.

Madam Speaker, the Leader of the Opposition further states, "**The PPM Government allowed CUC to roll back all the agreements the UDP had reached before Hurricane Ivan.**" In fact, the Heads of Agreement with CUC expired in September 2004,

and the UDP Government failed to conclude negotiations with CUC before the General Elections in May 2005. However, nothing has been rolled back. Government is determined to uphold the principles of the Heads of Agreement and, where possible, improve upon its detailed provisions in the best interests of the consumer. In this regard, Government is confident that it is well represented in these negotiations and that steady progress is being made towards a final agreement. However, we recognise that the CUC team is equally committed to the best interests of CUC as the Cayman Islands Government team is to the best interest of the consumer and Government, and this necessarily means that agreement may not readily be reached on certain issues.

Madam Speaker, the fact that the Leader of the Opposition, quite properly, does not have knowledge of the negotiations currently underway is no reason for him, or anyone, to spread misinformation and worse, deliberately try to mislead the public.

Madam Speaker, it is unheard of that any sensitive negotiation can be disclosed prior to conclusion. It appears that the Leader of the Opposition is trying to use the media to pressure the Government into disclosing details of the ongoing negotiations between CUC and the Government. I can assure him that will not happen. I will further assure the country that the discussions are progressing well, and in due course I will report the final outcome. Madam Speaker, there is nothing sinister about these talks, as the Leader of the Opposition would have this country believe.

Madam Speaker, the factual foregoing clearly demonstrates that the Leader of the Opposition does not understand the subject, or he is deliberately trying to again mislead this country. I trust that he will, in the future, refrain from such reckless behaviour.

I thank you, Madam Speaker.

The Speaker: Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: Thank you, Madam Speaker. I do not know if this will be any use, but is it possible to ask a question of the Minister under Standing Orders?

Short Questions

Standing Order 30(2)

The Speaker: Honourable Leader of the Opposition, under Standing Order 30(2), **“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.”**

So under Standing Order 30(2), you can ask your question, Sir, for clarification.

Honourable Leader of the Opposition.

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

Madam Speaker, would the Member address the point in the fourth paragraph on page one and say had they waited until after a new agreement to order new equipment what would have happened?

The Speaker: Honourable Minister responsible for Communications, Works and Infrastructure.

Hon. V. Arden McLean: Madam Speaker, I am under no illusions that these negotiations will be concluded in any short time, it could be anytime. If these negotiations are drawn out for any period of time, what could have happened if there was not additional capacity purchased and put in place the country could have been experiencing blackouts by 2007. I am sure, Madam Speaker, that this country would not want to be experiencing blackouts with insufficient capacity at the electricity company.

The Speaker: Third Elected Member for the district of West Bay.

Mr. Cline A. Glidden, Jr.: Thank you, Madam Speaker. I also have a question for the Minister.

The Speaker: Go ahead.

Mr. Cline A. Glidden, Jr.: When the Minister makes the statement—

The Speaker: Remember, it is a short question for clarification, okay?

Mr. Cline A. Glidden, Jr.: Yes, Ma'am.

The Speaker: Thank you.

Mr. Cline A. Glidden, Jr.: The Minister made the statement that if the generation was not bought or ordered there is a three-year wait time on new generation, so in the interim something must be happening. As far as I am made to understand, the “interim” means that they are leasing the generation equipment to ensure that there are no blackouts that the Minister talked about.

My question is, would it have been more prudent for CUC (in the absence of a long-term licence but still having a requirement to fulfil their commitment) to lease the equipment instead of making the significant capital investment of purchasing and still provide a generating capacity and protect us from having those blackouts in the country?

The Speaker: Honourable Minister of Communications, Works and Infrastructure, if you are in a position to clarify that go right ahead.

Hon. V. Arden McLean: Madam Speaker, that is a risk that, I guess, CUC has assumed would be too high because, certainly, leasing equipment, bringing it here and keeping it for those periods of time is more expensive in the interim than it would have been to put in new capacity. Madam Speaker, one of the things that I think we are missing here is that under the current licence of CUC which expires in January 2011, I believe, they have certain obligations that they have to meet.

The amount of capacity that we are talking about as incremental right now is much larger than the temporary generators that had been used in the past—and they are extremely expensive to operate, so, Madam Speaker, I really do not see the relevance for them to order temporary generation when they have an obligation to provide reliable power to the country under their licence. So I cannot answer any different than I have.

The Speaker: I will allow one more question. Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: Thank you, Madam Speaker. Since I only have one question, let me put it in two parts.

[Inaudible comment by Honourable Minister of Communications, Works and Infrastructure]

Hon. W. McKeeva Bush: That is okay if you answer it in one. Madam Speaker, can the Minister say: (a) whether he has got CUC to roll back any costs to the consumer as the UDP government did; and (b) when does he expect to complete negotiations?

The Speaker: Honourable Minister responsible for Communications, Works and Infrastructure.

Hon. V. Arden McLean: Madam Speaker, you know, I am sort of glad that the Leader of the Opposition asked that question because in the previous Heads of Agreement that his government negotiated, hurricane damage and exposure, according to what they agreed to, would have cost this country much more in that CUC would only have absorbed some \$500,000 under the circumstances that we came in at where we had catastrophic damage to the infrastructure of CUC. When we started negotiating—and, Madam Speaker, he will note in the second paragraph of my statement where I said, “**Under its licence, CUC was contractually entitled to a rate increase of 9.5%.**” As a result of the catastrophic damage, we got it down to 4.7, which is much, much more than the \$500,000 that they would have got it down to. So, Madam Speaker, the Leader of the Opposition can rest assured that because of negotiations with CUC, we made them absorb much more than they would have under his government if he had been re-elected.

Secondly, in that same paragraph, Madam Speaker, I said, “**Additionally, Government obtained a commitment from CUC to freeze its rates while the surcharge is in effect.**” Therefore the rates will not be negotiated, or even contemplated, to change within the three years up to 2008. By that time I am hopeful that we will have (I am sure we should have) a new licence in place. However, Madam Speaker, obviously the Leader of the Opposition was not listening to me either because as a result of that, the 2 per cent increase that CUC’s interim results indicate this year will not be implemented. So, Madam Speaker, if we did anything such as his government got to roll back, I would like to think that this is much more than was rolled back from the UDP government.

[Inaudible comments from the Honourable Leader of the Opposition]

Hon. V. Arden McLean: With regards to when the negotiations will be completed, Madam Speaker, I cannot say because they are negotiations. Just like when the UDP government was in negotiations with CUC during 2004, the then Minister made it quite clear that there could not be anything disclosed until they made a joint statement about their Heads of Agreement, we will take that same position, Madam Speaker, that we cannot determine or decide when these negotiations will be completed.

Hon. W. McKeeva Bush: Of course not!

Hon. V. Arden McLean: However, they are progressing well. Thank you, Madam Speaker.

Hon. W. McKeeva Bush: You did not get any roll back, though.

The Speaker: Madam Clerk.

[Inaudible comment from Member of the House]

Hon. W. McKeeva Bush: You did not get any roll back, no cost. Cost has gone higher under you. That is the difference between your Government and mine.

[Inaudible comment from Member of the House and laughter]

GOVERNMENT BUSINESS

BILLS

FIRST READINGS

Suspension of Standing Order 46(1) and (2)

The Speaker: Honourable Leader of Government Business.

[Inaudible comments and laughter by Members of the House]

The Speaker: Could I have a little bit of quietness in the Chamber instead of arguing across the floor? You can do that when you go for lunch.

Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Madam Speaker, I move the suspension of Standing Order 46(1) and (2) in order to enable the Bills that are on the Order Paper to be read for the first time.

The Speaker: The question is that Standing Order 46(1) and (2) be suspended in order to enable the Bills to be read a first time. 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 to allow the Bills to be read a first time.

The Births and Deaths Registration (Amendment) Bill, 2006

The Speaker: The Bill is deemed to have been read a first time and is set down for the Second Reading.

The Development and Planning (Amendment) Bill, 2006

The Speaker: The Bill is deemed to have been read a first time and is set down for the Second Reading.

The Land Holding Companies Share Transfer Tax (Amendment) Bill, 2006

The Speaker: The Bill is deemed to have been read a first time and is set down for the Second Reading.

The Marriage (Amendment) Bill, 2006

The Speaker: The Bill is deemed to have been read a first time and is set down for the Second Reading.

SECOND READINGS

Suspension of Standing Order 46(4)

The Speaker: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Madam Speaker, I move the suspension of Standing Order 46(4) to enable the Bills to be read a second time.

The Speaker: The question is that Standing Order 46(4) be suspended in order to allow the Bills to be read a second time. 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 first time.

The Births and Deaths Registration (Amendment) Bill, 2006

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Speaker. Madam Speaker, I beg to move the Second Reading of a Bill entitled The Births and Deaths Registration (Amendment) Bill, 2006.

The Speaker: The motion has been duly moved and is open for debate. Does the Honourable Third Official Member wish to speak thereto?

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

Madam Speaker, the Memorandum of Objects and Reasons of the Bill indicates that the Bill seeks to amend the Births and Deaths Registration Law (1996 Revision) which the Bill refers to as being the "principal Law". Madam Speaker, the thrust of the Bill is to enable the re-registration of the birth of a child where the child's father and mother were not married to each other at the time of the birth of the child and no person was registered as the father of the child, and such a request is normally made after the father of the child has been established.

Madam Speaker, the Bill also seeks to provide that the Registrar-General, on the production of a court order, or such other results of a parentage testing procedure as appear to him to be satisfactory to prove that a person is or is not the father of a child, and on the payment of the appointed fee, authorise at any time a change in registration of the birth of a child whose birth is already registered under the Law.

Madam Speaker, clause 1 of the Bill gives the intended title of the Law, and clause 2 of the Bill essentially provides for what I have just said, the enabling of the father of a child to be registered on the birth certificate subsequently to the child being born. Clause 2 sets out various circumstances under which such a request can be made.

Madam Speaker, the Bill seeks to insert as section 52B in the principal Law, a section to the effect that where the court has previously determined that a person is or is not the father of the child if that is initially stated by a court order, even on the production of the satisfactory results of testing to indicate who the

father of the child is, the Registrar-General simply cannot, on the basis of that evidence alone, change the birth certificate to indicate who the father of the child is. Madam Speaker, there is need to make reference back to the court, and for the court to determine and decide that the father is as stated on the results of the testing.

Madam Speaker, the Bill also provides for certain fees to be payable in respect of the registration of a birth where the parents were not married, and it is \$25 proposed. There is also a \$25 fee proposed in respect of a change in registration after the production of the results of the parent testing procedure.

Madam Speaker, the Bill, I believe, is quite straightforward and quite timely and sensible. It allows, essentially, the father of a child to be subsequently recorded on the birth certificate of a child. Madam Speaker, with those brief words, I would ask all Honourable Members to respectfully provide their support for the Bill.

Thank you.

The Speaker: Does any other Member wish to speak? *[Pause]* Does any other Member wish to speak? *[Pause]* 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, only to say thanks to all Honourable Members for their silent support.

The Speaker: The question is that a Bill entitled The Births and Deaths Registration (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. The Births and Deaths Registration (Amendment) Bill, 2006 has been given a second reading.

Agreed. The Births and Deaths Registration (Amendment) Bill 2006 read a second time.

The Development and Planning (Amendment) Bill, 2006

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Speaker. I beg to move the Second Reading of a Bill entitled The Development and Planning (Amendment) 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, this Bill has, as its essence, an increase in respect of the contributions that are payable to the infrastructure fund, and it is entirely consistent with the revenue measures package that the Government outlined and detailed to the House when after debate and discussion in the Legislative Assembly, it obtained passage for the Appropriation Law. It has now been passed into law, Madam Speaker, for the financial year that starts 1 July 2006. That is the essence of the Bill, to increase the contribution rates to the infrastructure fund.

Madam Speaker, Honourable Members will no doubt recall that when the tragic events of September 11, 2001 occurred in America, the government in late 2001 made certain decisions to reduce building permit fees, for example, the contributions to the infrastructure fund. Decisions were also taken to lower the stamp duty rates applicable at the time in order, and in an attempt, Madam Speaker, to stimulate the economy.

Generally, Madam Speaker, those rates have remained unchanged since 2001, that is, up until the recent revenue measures package that was detailed in the House. Essentially, what this Bill does is increase those rates of contribution to the infrastructure fund back to their 2001 levels prior to the September 11 tragic events. That, in essence, Madam Speaker, is what the Bill before the Honourable House now attempts to do.

Madam Speaker, the Bill defines certain registration sections and then gives specific details as to blocks and parcels of the two Islands, Grand Cayman and Little Cayman. The registration sections are: "Area A" being West Bay, George Town, and also Bodden Town; "Area B" being North Side and East End; and "Area C" being any area that is not in Areas A or B. The Bill goes on to include the various classes of buildings that require planning permission for their development, such as an industrial building; a commercial building; a hotel; an apartment; a strata lot; a duplex; a house exceeding four thousand square feet in gross floor area; or an extension to a house which would increase its gross floor area to more than four thousand square feet.

If a person is granted a building permit effective 1 July 2006 onwards, then the contribution rates that they shall make to the infrastructure fund are defined in the Bill as being \$2.50 per square foot of the gross floor area in Area A—as I said, Madam Speaker, that is twice as much as the present level—in Area B it is \$1.50 per square foot of the gross floor area of the development; and in Area C it is \$0.50 per square foot. Madam Speaker, the Bill therefore is consistent with the revenue measure package that the Government outlined when it was obtaining passage for the 2006/7 Appropriation Bill.

Madam Speaker, I would therefore commend the Bill to all Honourable Members and ask that they give it their support. Thank you.

The Speaker: Does any other Member wish to speak? *[Pause]* Does any other Member wish to speak? *[Pause]* Does the Honourable Third Official Member wish to exercise his right of reply?

Hon. G. Kenneth Jefferson: Madam Speaker, just once again to thank all Honourable Members for their support. Thank you.

The Speaker: The question is that a Bill shortly entitled The Development and Planning (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. The Development and Planning (Amendment) Bill, 2006 has been given a second reading.

Agreed. The Development and Planning (Amendment) Bill 2006 read a second time.

The Land Holding Companies Share Transfer Tax (Amendment) Bill, 2006

The Speaker: Honourable Third Official Member.

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

Madam Speaker, I beg to move the Second Reading of a Bill entitled The Land Holding Companies Share Transfer Tax (Amendment) Bill, 2006.

The Speaker: The motion has been duly moved and is open for debate. Does the Honourable Third Official Member wish to speak thereto?

Honourable Third Official Member.

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

The Bill now before the House seeks to amend the Land Holding Companies Share Transfer Tax Law (2003 Revision) which I shall refer to as being the "principal Law". Madam Speaker, the Bill is necessary in order to make the principal Law consistent with changes that are proposed by the Stamp Duty Regulations that were tabled earlier.

Clause 1 of the Bill would provide the name of the intended Law, and states that it shall come into operation on 1 July, 2006. Clause 3 of the Bill, Madam Speaker, proposes changes to previous stamp duty rates of nine per cent and seven and one-half, stated in the principal Law, to reflect the currently proposed rates of seven and one-half per cent, six per cent and four per cent stamp duty rates, depending on the indi-

viduals and entities transacting in respect of property transactions. The purpose of clause 3 of the Bill, therefore, Madam Speaker, is to make the principal Law consistent with the proposed changes to the Stamp Duty Law.

Madam Speaker, the remaining clauses in the Bill are, essentially, technical in nature. As an example, during the period from 14 November 2002 to 30 June 2006, while in reality tax or stamp duty rates were charged at five per cent, the principal Law continued to show the previous rates of nine per cent and seven and one-half per cent. So, Madam Speaker, clause 8 of the Bill seeks to validate the tax being charged during November 2002 to June 2006 at five per cent. I do not believe, Madam Speaker, that there will be any complaints about this attempt to validate simply because, in reality, the tax was being charged at five per cent, whereas the principal Law itself showed much higher rates of nine per cent and seven and one-half. Clause 8 is simply a technical validation clause.

Madam Speaker, this Bill, as I said before, is consistent with the Stamp Duty Regulations changes and the duty rate changes regime that are being proposed. These are therefore necessary in order that the two pieces of legislation, the Stamp Duty Law and the Land Holding Companies Share Transfer Tax Law, be consistent with one another. I therefore ask all Honourable Members to give it their support.

Before I conclude, Madam Speaker, Honourable Members would have received details of a Committee stage amendment that I would propose to make in respect of two clauses within the Bill. Thank you, Madam Speaker.

The Speaker: Does any other Member wish to speak? *[Pause]* Does any other Member wish to speak? *[Pause]* Does the Honourable Third Official Member wish to exercise his right of reply?

Hon. G. Kenneth Jefferson: Thank you, Madam Speaker, just once again to say thanks to all Honourable Members.

The Speaker: The question is that a Bill shortly entitled The Land Holding Companies Share Transfer Tax (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. The Land Holding Companies Share Transfer Tax (Amendment) Bill, 2006 has been given a second reading.

Agreed. The Land Holding Companies Share Transfer Tax (Amendment) Bill, 2006 read a second time.

The Marriage (Amendment) 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 Marriage (Amendment) Bill, 2006.

The Speaker: The motion has been duly moved and is open for debate. Does the Honourable Third Official Member wish to speak thereto?

Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Speaker. My remarks are brief because the Bill is exceedingly short and brief.

The Bill that is now before the House seeks to amend the Marriage Law (1995 Revision) by proposing increases to fees in respect of two items in Schedule N to that Law. Once again, clause 1 would simply provide the name of the intended Law and that it would come into operation on 1 July 2006. Clause 2 of the Bill proposes two changes to the Marriage Law (1995 Revision). Firstly, it is proposed to increase the fee for obtaining a certified copy of an entry in the register of marriage from its present level of \$10 to \$15. Secondly, the fee to correct an error of fact or substance in a marriage register is proposed to be changed from its present level of \$10 to \$25. Once again, the changes proposed by this Bill, Madam Speaker, are consistent with the revenue measures package that the Government detailed during the deliberations pertaining to the Appropriation Law for the 2006/7 financial year. The fees that are the subject matter of this Bill, Madam Speaker, were last updated in 1991, and on the basis of those few remarks I would commend this Bill to all Honourable Members and ask that they respectfully give it their support.

Thank you.

The Speaker: Does any other Member wish to speak? *[Pause]* Does any other Member wish to speak? *[Pause]* Does the Honourable Third Official Member wish to exercise his right of reply?

Hon. G. Kenneth Jefferson: Madam Speaker, just to thank, once again, all Honourable Members for their support.

The Speaker: The question is that a Bill shortly entitled The Marriage (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. The Marriage (Amendment) Bill, 2006 has been given a second reading.

Agreed. The Marriage (Amendment) Bill 2006 read a second time.

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

House in Committee at 11.26 am

COMMITTEE ON BILLS

The Chairman: The House is now in Committee. With the leave of this Honourable 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 the clauses?

Hon. W. McKeeva Bush: Madam Chairman . . .

The Chairman: Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: Madam Chairman, on the Births and Deaths Registrations, I am wondering whether the Attorney General would come in—

The Chairman: Could we just start?

Hon. W. McKeeva Bush: I want to give the Government some notice. He is coming now. I see him coming now.

The Chairman: Oh, okay. I am sorry.

Hon. W. McKeeva Bush: I am going to ask him to go through the Bill clause-by-clause to explain it.

The Chairman: Okay. Madam Clerk.

The Births and Death Registration (Amendment) Bill, 2006

Clause 1 through 5

The Clerk:

Clause 1	Short title
Clause 2	Amendment of the Births and Deaths Registration Law (1996 Revision)- re-registration where parents are not married; change of registration after parentage testing procedure
Clause 3	Amendment of the First Schedule – forms
Clause 4	Amendment of the Second Schedule – fees
Clause 5	Validation

The Chairman: Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: Madam Chairman, I know that the Third Official Member moved this Bill, and

with no disrespect to him, whatsoever, I would like the Attorney General to go through and explain, as briefly as he can, the clauses in this Bill as they deal with registration of children and fathers and so on. Cayman status is so hot a potato today that we want to make certain what is happening here as far as registration of a father and so on.

The Chairman: Honourable Second Official Member.

Hon. Samuel W. Bulgin: Thank you, Madam Chair. I will try and do some justice to the request by the Honourable Leader of the Opposition.

The genesis of the Bill itself, Madam Chair, is “grounded”(if I might put it that way) in a number of things. There were some concerns aired by the Registrar of the General Department about them being handicapped in a number of respects when faced with requests to register a child where the child is the product of a common-law union. Also, I think in 2003 a Status of Children Law was passed by this Honourable House which was aimed at, among other things, trying to remove the disadvantage that illegitimate children face and being able to benefit from the estate of their father at the time of death or other unfortunate circumstances. So with that sort of consideration in mind, it was recommended that the Births and Deaths Registration Law (1996 Revision) should be amended to reflect contemporary standards, to give effect to some of the language in the Status of Children Law, and also to allow the Registrar-General greater flexibility as well.

I also know, Madam Chair, that there were times when the Summary Court made an order pursuant to affiliation proceedings, and the Registrar-General was uncertain as to, notwithstanding the fact that there was a court order, whether they had the remit under the Law to re-register, or make the necessary amendment to the register to reflect the order of the Court. So with all of those considerations in mind, the Bill was amended.

In clause 2, for example, you will see a lot of the language there—52A all the way down to 52A(6)—really aimed at capturing changes that were made by the Status of Children Law in 2003, thus allowing the parents (mother and father) and, where necessary, the child is over 16, with the child’s consent to rectify the register and have the father’s name now appearing on the record at the Registrar-General Department. So if once that is done, the father is dead or something happens, the child can now ask for a copy of the recent birth certificate and use it in succession proceedings and so on, to be entitled to recover from the estate. That, in a nutshell, sums up the purpose of it.

Requests can be made, or the records can be rectified in a number of ways, or pursuant to a number of ways: joint request by the mother and the father and the child’s consent where the child is over 16; if the court makes a declaration or makes an order ad-

judging the person to be the father of the child, then also the record would now be corrected to reflect that. If the mother and the father appear before a Notary Public or Justice of the Peace and have a declaration signed up or drawn up with joint consent that also can then be used to rectify, or change the registration document to show that the child is the child of a particular man as the case might be.

Madam Chair, if I might just make reference to clause 52A(5) because I think the [Honourable Leader of the Opposition] might have had some query as to what exactly that meant. What, in effect, is meant there—I am at page seven of the Bill, Madam Chair—is that once the original record has been rectified to reflect the new position, namely that the father of the child is now appearing on the birth certificate, for all intents and purposes, the only official birth record is the new record, and no reliance should be placed on the previous record that is in the registry. So if anyone wants to make use of the “old record”, as it were, or the previous document for any purpose at all, they should only be able to access that pursuant to a court order because it really is of no relevance anymore once you have the re-registration and the document has been changed to reflect that. So that is, in effect, the safeguard that has been put in there to prevent persons going back and asking for a copy of the old registration record in case they are up to any mischief and so on.

Hon. W. McKeeva Bush: Before—

The Chairman: Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: Thank you, Madam Chairman. Would the Attorney General, Second Official Member, explain 52A(3) at page seven, “**Where both the mother and the person requesting to be registered as the father of the child are absent from the Islands and they have both given their written consent . . .**” What is that meant to do?

The Chairman: Honourable Second Official Member?

Hon. Samuel W. Bulgin: Thank you, Madam Chair. My understanding of this is for whatever reason. If persons happen to be abroad, you can, for example, give power of attorney to someone. You can give power of attorney to someone to go and execute a record for you, with the written consent of both parties, and no doubt have it notarised if it is coming from abroad. That person can go to the Registrar-General and say, ‘*Listen, I have a power of attorney, I have the written consent of both sides here and I am acting as the agent and I am seeking to have the record rectified to reflect this new position.*’

Hon. W. McKeeva Bush: So the person is overseas—let me see if I follow this correctly because this is where I had some problems. You were discussing it

yesterday, and last night I had a chance to look at it but I still did not understand it, to put it simply. What you are saying is that if the person is overseas, someone can bring a certificate saying that this person signed it? Madam Chairman?

Hon. G. Kenneth Jefferson: Madam Chair, maybe I could add a few brief remarks.

The Chairman: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Chairman. I am struggling to find the precise location that I—

Hon. W. McKeeva Bush: Page seven.

Hon. G. Kenneth Jefferson: No.

Hon. W. McKeeva Bush: Oh.

Hon. G. Kenneth Jefferson: Okay, Madam Chair, what I was about to say was that I was struggling to find the precise location of where I recall reading that there is a timeframe within which the birth of the child—

The Chairman: Re-registry.

Hon. G. Kenneth Jefferson: Sorry . . . What I was going to say, Madam Chair, is that I recall reading somewhere that there was a timeframe within which the birth of the child had to be registered.

So, if the parents were off-Island for any extended period of time, in order to comply with that timeframe they could, as this particular clause would permit, allow with their consent someone to register the child on their behalf if they were going to be away from the Islands for an extended period of time. That is my read of—

Hon. W. McKeeva Bush: So they allow it, Madam Chairman?

The Chairman: Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: They allow it by some sort of written procedure? They allow someone else to do the registration?

The Chairman: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Yes, Madam Chair, the particular clause that the Leader of the Opposition is referring to does actually say, “**Where both the mother and the person requesting to be registered as the father of the child are absent from the Islands and they have both given their written consent that another named person may sign on their behalf the register may be signed by the Registrar-**

General and that person who shall be over the age of 18.” So yes, written consent would be required.

Hon. W. McKeeva Bush: However—

The Chairman: Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: Thank you, Madam Chair. This is where I consider it as a little wide. I know that we have cases that we have to deal with, because I am confronted with cases probably on a weekly basis as probably other Members are. However, we do not want to leave it so wide that people can abuse the system. When you say it is by written consent, what is going to ensure that the system is not abused?

[Inaudible comment by Member of the House]

Hon. W. McKeeva Bush: Anybody might be able to say they *(inaudible)*.

[Inaudible comment by Member of the House]

The Chairman: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Madam Chair, in an attempt to answer the query, I believe that the position is that it would not simply be the case of just written consent alone, in the form of a letter that said, ‘*Mr. and Mrs. Smith hereby give permission for Mr. ‘X’ to register with the Registrar-General details of their child’s birth.*’ If I am getting the drift of what the Honourable Member is asking, in addition to the written consent, I believe that they would also have to provide documentation as to details of the child’s birth as well, to accompany that written consent.

The Chairman: Honourable Third Official Member, Speakers do not speak, but since I am Chairman, I will take this opportunity to ask a question. Section 52A(3) says, “**Where both the mother and the person requesting to be registered as the father of the child are absent from the Islands and they have both given their written consent that another named person may sign on their behalf the register may be signed by the Registrar-General and that person who shall be over the age of eighteen.**”

That only tells me unless we go back to the Births and Deaths Registration Bill to find out exactly what else is required, because the way I read this and interpret this, it is only the written consent of the mother and father because this is a new section and, in my opinion (I am no lawyer) it is not referring that it is amending a section whereby a child can be registered.

Hon. Samuel W. Bulgin: Madam Chair . . .

The Chairman: Honourable Second Official Member.

Hon. Samuel W. Bulgin: Thank you. It is an amendment to section 52 of the principal Law itself, and to put it in perspective, section 52(1) says, “**The Registrar-General may, on production of such evidence as appears to him to be satisfactory, and, subject to subsection (3), on payment of the appointed fee, authorise at any time the re-registration of the birth of a legitimated person whose birth is already registered under this Law, and such re-registration shall be effected in such manner and at such place as the Governor may by regulations prescribe.**”

My understanding of the Law is that it should be read in the context of section 52. Clearly, section 52A and B are new sections being inserted, but it ought to be read in the context of all three sections of section 52 were probably handled together. I am not so sure whether there was a particular problem being experienced by the Registrar-General why they inserted that because this instruction actually came from the Assistant Registrar-General himself who crafted the provision, Mr. Dixon.

Hon. W. McKeeva Bush: Madam Chairman, I still consider, notwithstanding the explanations given, that it is wide and easily abused. Perhaps your suggestion can be taken, and I would ask the same, to move on and then allow the Registrar to come and explain to us.

The Chairman: Honourable Third Official Member, you will arrange with the Registrar-General, or, Second Official Member.

Madam Clerk.

The Development and Planning (Amendment) Bill, 2006

Clauses 1 through 3

The Clerk:

Clause 1	Short title and commencement
Clause 2	Amendment of section 38 of the principal Law – infrastructure fund
Clause 3	Status of Law No. 8 of 2004

The Chairman: 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: First Elected Member for the district of Cayman Brac and Little Cayman, if we are going to continue in Committee, we need a quorum for the Chairman to put the question and get the Ayes and Noes. I am not going to put a question without a quorum being present in the Chamber.

First Elected Member for the district of Cayman Brac and Little Cayman.

Ms. Juliana Y. O’Connor-Connolly: Thank you, Madam Chairman.

On page four, section 3(a)(ii) under “George Town”, I wonder if the Honourable Third Official Member could just give some input as to the insertion of the words “13D (parcels with road frontage on Eastern Avenue)”, “14C . . . 14D (parcels with road frontage on Elgin Avenue, Huldah Avenue and Thomas Russell Avenue)” and why 18A is missing from the new amendment, if he could give the reason or the justification to the Committee.

The Chairman: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Chair.

Madam Chair, I think that parcels 13D and 14D, which are not in the existing Law, the principal Law, have been inserted into the Bill to reflect the fact that these particular areas, road frontage along Eastern Avenue and road frontage on Elgin, Huldah Avenue and Thomas Russell Avenue, are particularly “bustling” areas, if I could use that expression, and the insertion there into Area A would therefore be appropriate because Area A attracts the highest rate of contribution to the infrastructure fund. So that would be my answer, Madam Chair, to 13D and 14D being inserted into George Town and under section A, because it reflects quite a bit of activity there and that should reflect a higher contribution rate.

Madam Chair, I am not one hundred per cent certain as to why 18A, which is in the principal Law, the existing Law, does not find itself continuing under the Bill. I cannot answer that at the moment, Madam Speaker.

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

Ms. Juliana Y. O’Connor-Connolly: Thank you, Madam Chairman.

Two quick things: Can the Honourable Member say what the Government’s intention would be as relates then to 18A? Will it seek to reinstate it, or is he saying that it was intentionally not put in and, if so, why? Secondly, do I understand him to say that in George Town there are now three different sections, 13D, 14C and 14D that will now attract the one hundred per cent increase rate as far as they relate to planning permit fees?

The Chairman: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Chair. One second . . .

[Pause]

The Chairman: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Madam Chair, the query of 18A, I think that is a simple omission. I was just speaking to the Honourable Leader of Government Business, and we will attempt to get the officials down to assist with this particular query. The other query with regards with 13D, 14C and 14D, yes, those particular parcels would attract the higher rate now.

The Chairman: First Elected Member for the district of Cayman Brac and Little Cayman.

Ms. Juliana Y. O'Connor-Connolly: Thank you, Madam Chair, for your indulgence. Can the Member give us some idea as to where these parcels are in George Town?

The Chairman: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Madam Chair, the Honourable Member is referring to 13D, 14C and 14D?

The Chairman: First Elected Member for the district of Cayman Brac and Little Cayman.

Ms. Juliana Y. O'Connor-Connolly: That is correct, Ma'am.

The Chairman: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Madam Chair, I cannot say any more than what is indicated on the Bill. The Bill indicates that those in Area A to 13B would be road frontage on Eastern Avenue. I guess any road frontage on Eastern Avenue would attract the highest rate and, similarly, 14C and D, parcels with road frontage on Elgin Avenue, Huldah Avenue and Thomas Russell Avenue would attract the higher contribution rate. I cannot say much more at this point beyond that, Ma'am.

Hon. D. Kurt Tibbetts: Madam Chair, if I may.

The Chairman: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you. Madam Chair, in order to avoid any further confusion, we will simply get the technical people down here. I must apologise but there seems to be a little bit of a lack of communication here. However, we want to make sure we get it right before it goes through Committee if it requires any amending, so I would prefer if you would allow us to do that.

The Chairman: I will resume the House and suspend for the luncheon hour, and then when we return, we will return to the Committee stage on the Bills.

Ms. Juliana Y. O'Connor-Connolly: Madam Speaker, just before you go—

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

Ms. Juliana Y. O'Connor-Connolly: Thank you, Ma'am. Obviously, this is up to you but there are two similar questions, and while they are calling the technical staff, if they would ask it would prevent me having to ask more questions.

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

Ms. Juliana Y. O'Connor-Connolly: Thank you very much, Ma'am. Under subsection (b) "North Side and East End", there is a new 33E. The question is similar, whether there is justification for that and, if so, what. Finally, Madam Chair, under subsection (4) a new category has been added, (4)(f), that of a duplex. It was previously the idea that because this was an area that Caymanians, Madam Chair, use for development for a number of purposes that it would not be included in this category. Could we get some justification as to why the Government feels that this should now be a new category? Thanks, Madam Chairman.

The Chairman: The House will resume.

House resumed at 11.57 am

The Speaker: Please be seated. Proceedings are resumed, and proceedings will be suspended until 1.30.

Proceedings suspended at 11.58 am

Proceedings resumed at 3.15 pm

The Speaker: Please be seated.

May I have some guidance as to whether we have completed all the amendments to the Bills? Or is it necessary that we can go back into Committee?

Honourable Third Official Member.

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

Madam Speaker, one Committee stage amendment in respect to the Births and Deaths Registration Bill has been done, and I believe it is with the Clerk, and I am just about to sign the second one relating to the Development and Planning Bill.

The Speaker: May we go into Committee and do the other two Bills while we await those minor amendments to be typed? The House will now go into Committee.

House in Committee at 3.16 pm

COMMITTEE ON BILLS*(Continuing)***The Chairman:** Please be seated.

The House is in Committee. We will start with the Land Holding Companies Share Transfer Tax (Amendment) Bill, 2006 while we await the amendments to the other two that we started previously.

The Land Holding Companies Share Transfer Tax (Amendment) Bill, 2006**Clauses 1 and 2****The Clerk:**

Clause 1	Short title and commencement
Clause 2	Amendment of section 2 of the principal Law – definitions

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.****Clause 3**

The Clerk: Clause 3 Amendment of section 3 – returns, etc., of transfers to be delivered and tax payable

The Chairman: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Yes, thank you, Madam Chair.

Madam Chair, in accordance with the provisions of Standing Order 52(1) and (2), I give notice to move the following amendments to the Land Holding Companies Share Transfer Tax (Amendment) Bill, 2006: That clause 3 of the Bill be amended by deleting paragraph (d) and substituting the following:

“(d) by inserting after subsection (1) the following subsection – ‘(1A) For the purposes of subsection (1)(c)(ii), “Caymanian” has the meaning Law 34 of 2003 ascribed to it in the Immigration Law, 2003.’”

The Chairman: The question is that the amendment form part of the Bill. All those in favour, please say Aye. Those against, No.

Ayes.**The Chairman:** The Ayes have it.**Agreed. Amendment 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.**Agreed. Clause 3 as amended passed.****Clauses 4 through 7****The Clerk:**

Clause 4	Amendment of section 4 – transfers between trustees, etc.
Clause 5	Amendment of section 5 – approved land holding corporations
Clause 6	Amendment of section 7 – offence of neglecting to make return, etc.
Clause 7	Transitional provisions

The Chairman: The question is that clauses 4 through 7 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 7 passed.****Clause 8**

The Clerk: Clause 8 Validation

The Chairman: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Chair.

Madam Chair, in accordance with Standing Order 52(1) and (2), I move: That clause 8 of the Bill be amended by deleting the words “that period” from subsection (2) and substituting the words “the period referred to in subsection (1)”.

Thank you, Madam Chair.

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 passed.**

The Chairman: The question is that clause 8, 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 8 as amended passed.

The Clerk: A Bill For A Law To Amend The Land Holding Companies Share Transfer Tax Law (2003 Revision) With Respect To Rates Of Tax Imposed By That Law On Transfers Of Equity Capital; 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.

Agreed. Title passed.**The Marriage (Amendment) Bill, 2006****Clauses 1 and 2****The Clerk:**

Clause 1	Short title and commencement
Clause 2	Amendment of Schedule N to the Marriage Law (1995 Revision) – marriage fees and register fees

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 Marriage Law (1995 Revision) With Respect To Fees Payable Under That 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: We will now return to the Births and Deaths Registration (Amendment) Bill, 2006.

The Births and Deaths Registrations (Amendment) Bill, 2006
(*Recommended*)

Clause 1

The Clerk: Clause 1 Short title

The Chairman: The question is that clause 1 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 Amendment of the Births and Deaths Registration Law (1996 Revision)-re-registration where parents are not married; change of registration after parentage testing procedure.

The Chairman: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Chair.

Madam Chair, in accordance with the provisions of Standing Order 52(1) and (2), I give notice that I intend to move the following Committee Stage amendments to the Births and Deaths Registration (Amendment) Bill, 2006: that clause 2 of the Bill be amended as follows—in section 52A (1), by inserting before the word “father” where it appears for the third time the word “child’s”; and by inserting after section 52A (3) the following subsection—“(3A) The written consent referred to in subsection (3) shall be notated.”

Thank you, Madam Chair.

The Chairman: The question is that the amendments stand part of the clause. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed. Amendments passed.

The Chairman: The question now 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.

Agreed. Clause 2 as amended passed.
Clauses 3 and 4

The Clerk: Clause 3	Amendment of the First Schedule – forms
Clause 4	Amendment of the Second Schedule – fees

The Chairman: The question is that clauses 3 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 3 through 4 passed.

The Chairman: Honourable Third Official Member, do we have an amendment to clause 5?

Hon. G. Kenneth Jefferson: No, Madam Chair.

The Chairman: Thank you.

Clause 5

The Clerk: Clause 5 Validation

The Chairman: The question is that Clause 5 form part of the Bill. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed. Clause 5 passed.

The Clerk: A Bill For A Law To Amend The Births And Deaths Registration Law (1996 Revision) In Order To Provide For the Re-Registration Of A Child Whose Parents Are Not Married; For A Change In Registration After The Production Of The Results Of A Parentage Testing Procedure; 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. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed. Title passed.

The Chairman: Do Members have the second amendment to the Development and Planning (Amendment) Bill?

Could you give us one minute while this is being photocopied, please?

[Pause]

The Development and Planning (Amendment) Bill, 2006

(Recommitted)

Clause 1

The Clerk: Clause 1 Short title and commencement

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 Amendment of section 38 of the principal Law – infrastructure fund

The Chairman: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Chair.

Madam Chair, in accordance with the provisions of Standing Order 52(1) and (2), I the Honourable Third Official Member, give notice to move the following amendments to the Development and Planning (Amendment) Bill, 2006: that clause 2 of the Bill be amended by inserting "33B," before "33C" in the paragraph to be inserted as section 38 (3) (b) of the principal Law; and that clause 2 of the Bill be amended by deleting paragraph (f) from the subsection to be inserted as subsection (4) of section 38 of the principal Law.

Thank you, Madam Chair.

The Chairman: The question is that the amendments form part of the clause. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed. Amendments passed.

The Chairman: The question is that clause 2 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.

Hon. W. McKeever Bush: Madam Chairman . . .

The Chairman: Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: One question I have that I asked in Committee, and I did not get an answer I was satisfied with but perhaps they can tell me here. The Budget was made up with these revenue measures in mind. They have taken out certain parts of it that—well, one part of it where that revenue will be absent. If it is a small amount, then I would like them to just say it is small amount and to say how much we just—I am glad because it was us that brought it to their attention as far as the duplex was concerned. So I am glad it is taken out because it helps the Caymanian. However, how much revenue?

The Chairman: Honourable Leader of the Opposition, I will ask the Honourable Third Official Member if he is in a position because I think it will be kind of hard for him to project at this time what would be the revenue.
Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you. Madam Chair, when the revenue measures were being worked out, this amendment that was originally proposed and is now being deleted was not a consideration, so it will not affect the projected revenue for the 2006/7 year.

Hon. W. McKeeva Bush: Thank you very much. So, Madam Chair—

The Chairman: Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: If they were making \$2 million from the Development and Planning Law, which goes towards the revenue which the revenue projected, and they are taking out the revenue from that particular item, then how much is it?

The Chairman: Honourable Leader of the Opposition, I think the explanation the Honourable Leader of Government Business gave is that the item that is being deleted now was not considered as revenue coming in for the Budget.

Hon. W. McKeeva Bush: Yet it is an increase in the Law. That was a fee stipulated in the Law.

The Chairman: Honourable—

Hon. D. Kurt Tibbetts: Madam Chair, if I may quickly.

The Chairman: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you. Madam Chair, let me just repeat once more. When the original projections were calculated for the revenue measures, this amendment that was proposed through a recommendation from the Department of Planning was not a part of the considerations. The considerations that were calculated were only those of the Law that was in force before the amendment.

Hon. W. McKeeva Bush: So, Madam Chair—

The Chairman: Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: Thank you. This then, the revenue derived from that if they had carried it through, would have been extra revenue?

An Hon. Member: Yeah!

The Chairman: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Madam Chair, obviously, if it was not a part of the original consideration, it would have been additional revenue.

The Chairman: Madam Clerk.

Clause 3

The Clerk: Clause 3 Status of Law No. 8 of 2004

The Chairman: The question is that clause 3 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 passed.

The Clerk: A Bill For A Law To Amend The Development And Planning Law (2005 Revision) With Respect To The Infrastructure Fund Established Under That 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: That concludes proceedings in Committee. Honourable Third Official Member, you do report the Bills . . .

Agreed that the Bills be reported to the House.

House resumed at 3.26 pm

The Speaker: Please be seated. Proceedings are resumed.

REPORTS ON BILLS

The Births and Deaths Registration (Amendment) Bill, 2006

The Speaker: Honourable Third Official Member.

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

Madam Speaker, I am to report that a Bill entitled the Births and Deaths Registration (Amendment) Bill, 2006 was considered by a Committee of the whole House and passed with amendments.

The Development and Planning (Amendment) Bill, 2006

Hon. G. Kenneth Jefferson: Madam Speaker, thank you. The Development and Planning (Amendment) Bill, 2006 was considered by a Committee of the whole House and passed with amendments. Thank you.

The Land Holding Companies Share Transfer Tax (Amendment) Bill, 2006

Hon. G. Kenneth Jefferson: Madam Speaker, I am to report that a Bill entitled The Land Holding Companies Share Transfer Tax (Amendment) Bill, 2006 was considered by a Committee of the whole House and passed with amendments.

The Marriage (Amendment) Bill, 2006

Hon. G. Kenneth Jefferson: Madam Speaker, I am to report that a Bill entitled The Marriage (Amendment) Bill, 2006 was considered by a Committee of the whole House and passed without amendments.

THIRD READINGS

Suspension of Standing Order 47

The Speaker: Honourable Third Official Member.

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

Madam Speaker, I beg to move the suspension of Standing Order 47 so that the Bills on the Order Paper can be read a third time.

Thank you.

The Speaker: The question is that Standing Order 47 be suspended to enable the Bills to be read a third time. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. Standing Order 47 is duly suspended.

Agreed. Standing Order 47 suspended to enable the Bills to be read a third time.

The Births and Deaths Registration (Amendment) 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 Births and Deaths Registration (Amendment) Bill, 2006 be given a third reading and passed.

The Speaker: The question is that the Births and Deaths Registration (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 Births and Deaths Registration (Amendment) Bill, 2006 has been read a third time and is passed.

Agreed. The Births and Deaths Registration (Amendment) Bill 2006 given a third reading and passed.

The Development and Planning (Amendment) 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 Development and Planning (Amendment) Bill, 2006 be given a third reading and passed.

The Speaker: The question is that the Development and Planning (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 Development and Planning (Amendment) Bill, 2006 has been read a third time and is passed.

Agreed. The Development and Planning (Amendment) Bill 2006 given a third reading and passed.

The Land Holding Companies Share Transfer Tax (Amendment) Bill, 2006

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Speaker. I beg to move that a Bill entitled The Land Holding Companies Share Transfer Tax (Amendment) Bill, 2006 be given a third reading and passed.

The Speaker: The question is that the Land Holding Companies Share Transfer Tax (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 Land Holding Companies Share Transfer Tax (Amendment) Bill, 2006 has been read a third time and is passed.

Agreed. The Land Holding Companies Share Transfer Tax (Amendment) Bill, 2006 given a third reading and passed.

The Marriage (Amendment) 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 Marriage (Amendment) Bill, 2006 be given a third reading and passed.

The Speaker: The question is that the Marriage (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 Marriage (Amendment) Bill, 2006 has been read a third time and is passed.

Agreed. The Marriage (Amendment) Bill 2006 given a third reading and passed.

GOVERNMENT BUSINESS

MOTIONS

Suspension of Standing Order 24(5)

The Speaker: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker. I beg to move the suspension of Standing Order 24(5) in order that a Government Motion can be dealt with during the current meeting.

The Speaker: The question is that Standing Order 24(5) be suspended in order to allow a Government Motion to be dealt with during the current meeting. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

Agreed. Standing Order 24(5) suspended to enable a Government Motion to be dealt with during the current Meeting.

The Speaker: Proceedings will be suspended to enable an addendum to the Order Paper to be handed out in order for us to deal with this Government Motion, so I would ask that all Members remain in their seats until this is done.

Proceedings suspended at 3.40 pm

Proceedings resumed at 3.48 pm

The Speaker: Please be seated. Proceedings are resumed.

GOVERNMENT MOTION NO. 3/06-07

The Insurance Law (2004 Revision); The Insurance (Variation of Fees) Regulations 2006

The Speaker: Honourable Third Official Member.

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

Madam Speaker, I beg to move Government Motion No. 3/06-07, and with your permission I would like to read the motion.

The Speaker: So ordered.

Hon. G. Kenneth Jefferson: Thank you. The Motion reads as follows:

WHEREAS section 18(f) of the Insurance Law (2004 Revision) provides that the Governor in Cabinet may make regulations amending the Schedule of the principal Law save that any amendment increasing the scale of fees prescribed in the Schedule shall require the confirmation of the Legislative Assembly;

BE IT THEREFORE RESOLVED THAT the Insurance (Variation of Fees) Regulations 2006, as per the attached copy, be hereby confirmed by the Legislative Assembly pursuant to the provisions

of section 18(f) of the Insurance Law (2004 Revision).

The Speaker: The Motion has been duly moved and is open for debate. Does the Honourable Member wish to speak thereto?

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

The subject matter of the Government Motion is to propose changes to licence fees payable by certain classes of insurance companies doing business on the Island. At present, insurance companies that are incorporated within the Cayman Islands and in possession of a Class 'A' insurance licence pay an annual licence fee of \$30,000. The Insurance (Variation of Fees) Regulations, 2006 propose a change to this present \$30,000 annual licence fee. The Regulations also propose to make a distinction between locally incorporated Class 'A' insurance licence holders and Class 'A' insurance licence holders that are incorporated outside the Cayman Islands but are approved to conduct business within the Islands.

At present, such approved external insurers that possess a Class 'A' insurance licence pay an annual fee of \$30,000. It is proposed to increase this fee to \$40,000. At present, the holders of unrestricted and restricted Class 'B' insurance licences pay an annual fee of \$7,000. The Regulations propose to increase this by a modest \$500 per annum to become \$7,500. Madam Speaker, the changes to licence fee levels proposed by the Regulations are entirely consistent with the revenue measures package that Government detailed in connection with the now passed Appropriation Law for the upcoming 2006/7 financial year. The proposed changes, Madam Speaker, will not take effect until 1 July 2006, and since insurance licence fees are payable in January of each year, if the House confirms the Regulations the increased fee levels will not be received until January 2007.

It is also important that I point out that the changes proposed by the Regulations were suggested by, and therefore enjoy the support of, the insurance sector. While the Regulations have already been approved by Cabinet, the Insurance Law (2004 Revision) further requires that any change to fee levels by way of Regulations be subject to confirmation by the Legislative Assembly. That confirmation is sought by way of this Government Motion.

Madam Speaker, therefore for the reasons that I have just stated, I commend this Government Motion to all Honourable Members and respectfully ask that they give it their support. Thank you.

The Speaker: Does any other Member wish to speak? *[Pause]* Does any other Member wish to speak? The Honourable Leader of the Opposition.

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

Madam Speaker, I note that Government had said that in dealing with captive insurance they had got from discussion with that grouping to increase the fee by \$500, and if that is so, we have no problem with it. However, the general insurance companies on this Island . . . I cannot say I mind an increase, and while I say that I have to bear in mind that they will likewise increase their costs. Madam Speaker, insurance costs in this country are already through the roof! While we would like companies like that to pay more, we have to be mindful of that effect to the people of this country.

I said, Madam Speaker, that insurance costs are already through the roof. I know what it costs me, Madam Speaker, and I can just barely afford it (in fact, I cannot afford all of it) much less those people who make less salaries. This does give me some concern. As I said, I can understand the Government wanting to increase to them, but then the effect that insurance costs have already have, I do not know whether they have any assurance that they are not going to increase the cost to the public again. I do not know if the Government has any such assurance from them, but this, I think, is a dangerous move.

The cost of living in this country is already far too high, Madam Speaker, and while revenue is needed, we have to be mindful of the areas we put on because it just keeps coming back on the people of this country who are already hammered by the rising cost of living. There are people, as I say, who cannot insure their houses. There are people who I know are walking now because they cannot insure their vehicles, and that is a fact.

As I said on Election night, Madam Speaker, I do not want to be the type of Opposition that I had to deal with. Had we been on that side you would not have heard the end of this, and particularly, the Bill coming at this point in time of a new Paper. The Second Elected Member for George Town would have said everything, and these are the kind of things, Madam Speaker, that they call me dictator for.

The Speaker: The Minister of Education.

Hon. W. McKeeva Bush: The Minister of Education. Madam Speaker, as I said, we find ourselves between a rock and a hard place because I feel that they should pay, but then there is no assurance, whatsoever, that this is not going to affect our people seriously. So, Madam Speaker, I have grave concerns about this kind of increase here today and I wonder how much the Government had looked elsewhere (although you would want them to pay because of what they are already charging) to get the amount of revenue that they will be getting from these sources. I do not know how much that is. Again, no one has said.

Thank you, Madam Speaker.

The Speaker: Does any other Member wish to speak? *[Pause]* 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.

Madam Speaker, I would like to thank the Honourable Leader of the Opposition for his observations. What I can say, Madam Speaker, is that the Insurance (Variation of Fees) Regulations that are really the subject matter of the Government Motion indicate that locally incorporated Class 'A' insurance licence holders currently pay an annual licence fee of \$30,000, and there is no change to this level proposed by these Regulations. These locally incorporated insurance companies are those that conduct the bulk of the insurance business with the Islands' residents. Madam Speaker, to repeat once again, there is no proposed change from the present \$30,000 annual licence fee that these locally incorporated Class 'A' insurance holders would have to pay.

The proposed increase is in respect of the Class 'A' licence holders approved, but a particular subset referred to as "external insurers", and the number of those companies, Madam Speaker, I am informed number about 15 in total. Those particular categories of insurance companies do quite a bit less business with the residents of the Islands, and therefore the proposed increase of \$10,000 per annum in respect of that subset of Class 'A' insurance holders would, I submit, have less of an impact on the residents than perhaps was stated.

Hon. W. McKeever Bush: Which companies are those?

Hon. G. Kenneth Jefferson: So, Madam Speaker, with those remarks, I would commend the Government Motion to all Honourable Members—

Hon. W. McKeever Bush: Which companies are those?

Hon. G. Kenneth Jefferson: —and ask that they give it their support. Thank you.

The Speaker: The question is, "**Be it therefore resolved that—**

Hon. W. McKeever Bush: Madam Speaker—

The Speaker: "**—the Insurance (Variation of Fees) Regulations 2006—**"

Hon. W. McKeever Bush: Madam Speaker, before you put the vote, can I ask the Honourable Financial Secretary if he would explain which companies he is talking about?

The Speaker: Honourable Leader of the Opposition, I would love to be able to have procedure to re-open

something that the gentleman has just concluded his debate on, but I am sure he will give you that information after the Parliament has closed down.

Hon. W. McKeever Bush: The vote was not taken yet.

The Speaker: "**Be it therefore resolved that the Insurance (Variation of Fees) Regulations 2006, as per the attached copy, be hereby confirmed by the Legislative Assembly pursuant to the provisions of section 18(f) of the Insurance Law (2004 Revision).**" All those in favour, please say Aye. Those against, No.

Ayes and Noes.

The Speaker: The Ayes have it.

Hon. W. McKeever Bush: Can we have a Division?

The Speaker: Madam Clerk.

Hon. W. McKeever Bush: We do not know what we are voting for so . . .

[Inaudible comment from Member of the House]

Hon. W. McKeever Bush: Well, I asked it.

Division No. 9

Ayes: 7

Hon. D. Kurt Tibbetts
Hon. V. Arden McLean
Hon. Charles E. Clifford
Hon. Samuel W. Bulgin
Hon. G. Kenneth Jefferson
Miss Lucille D. Seymour
Mr. Osbourne V. Bodden

Noes: 5

*Hon. W. McKeever Bush
Mr. Rolston M. Anglin
Mr. Cline A. Glidden, Jr.
Capt A. Eugene Ebanks
Ms. Juliana Y. O'Connor-Connolly

**Hon. W. McKeever Bush: Well, because we do not know what we are voting for, we vote No.*

The Speaker: The results of the Division: 7 Ayes, 5 Noes. Government Motion No. 3/06-07 is duly passed.

Agreed by Majority: Government Motion No. 3/06-07 passed.

READINGS BY THE HONOURABLE SPEAKER OF MESSAGES AND ANNOUNCEMENTS

Apologies

The Speaker: That concludes the business before the House. I will entertain a motion for the adjournment, but before I ask the Honourable Leader of Government Business, I must say that I was asked at lunch

time to extend apologies for the Second Elected Member for Cayman Brac and Little Cayman.

ADJOURNMENT

Hon. D. Kurt Tibbetts: Thank you. Madam Speaker, I beg to move the adjournment of this Honourable Legislative Assembly until the commencement of the next meeting, at 10 am on 28 July.

The Speaker: The question is that this Honourable House do now adjourn until 10 am, 28 July 2006. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. This Honourable House does now stand adjourned until 10 am, 28 July 2006.

At 4.04 pm the House stood adjourned until 10 am Friday, 28 July 2004.

OFFICIAL HANSARD REPORT
FRIDAY
28 JULY 2006
10:02 AM
First Sitting

The Speaker: I call on the Third Elected Member for the district of George Town to say Prayers.

Her Majesty Queen Elizabeth II, Her heirs and successors according to law, so help me God.

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 these 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.

**ADMINISTRATION OF OATHS
AND AFFIRMATIONS**

Oath of Allegiance
(Administered by the Clerk)

Mr. Donovan W.F. Ebanks, MBE to be the Honourable Temporary First Official Member responsible for the Portfolio of Legal Affairs

The Speaker: May we stand?

Mr. 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 to these hallowed Chambers and ask that you now take your seat. Please be seated.

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

Apologies

The Speaker: I have received apologies for absence from the Honourable Second Official Member.

**PRESENTATION OF PAPERS
AND OF REPORTS**

The Speaker: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you. Madam Speaker, I am sure that the Honourable Minister of Education is on the way. I know he had a slight accident this morning while riding, but I am sure he is on the way. I do not think it is anything serious, but I would crave your indulgence, if you could allow the Honourable Minister of Communications to do his report first. Perhaps the others might be here by then. Thank you.

The Speaker: Honourable Leader of Government Business, we will continue with the laying of all other reports, and when we have completed that, and if the Honourable Minister is here, then we will call upon him to lay his.

**The Development and Planning (Amendment)
Regulations 2006**

The Speaker: I recognise the Honourable Third Official Member.

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

Madam Speaker, as permitted by Standing Order 18, I beg to lay on the Table of this Honourable House the Development and Planning (Amendment) Regulations 2006.

The Speaker: So ordered.

Does the Honourable Member wish to speak thereto?

Hon. G. Kenneth Jefferson: Madam Speaker, I do not wish to speak to the Regulations now, but I will do so when I move the Government Motion on the Order Paper that pertains to the Regulations just tabled.

Thank you, Madam Speaker.

The Annual Economic Report 2004; and The Cayman Islands' Annual Economic Report 2005

The Speaker: I recognise the Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Madam Speaker, I beg to lay on the Table of this Honourable House The Annual Economic Report 2004, and also with your permission, Madam Speaker, The Cayman Islands' Annual Economic Report 2005.

The Speaker: Is it my understanding that you are laying these two Reports together?

Hon. G. Kenneth Jefferson: Madam Speaker, they are two separate reports, but I was going to speak to them jointly, with your permission.

The Speaker: So ordered.

Does the Honourable Member wish to speak thereto?

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

Madam Speaker, I am pleased to present to this Honourable House the Annual Economic Reports for 2004 and 2005. I would like to point out that the economic figures stated in The Annual Economic Report 2004 were as of June 2005, while the data in The Annual Economic Report 2005 was as of June 2006. It should also be noted that the Annual Economic Report 2005 contains updated economic data for 2004. Moreover, the Annual Economic Report 2005 contains an executive summary and a summary indicator sheet which provide information about 2004 and 2005 in a succinct format. I will first give an overview of the international and regional economic environment and then comment on our own domestic performance during these two past years. Specifically, in view of the severe economic shock caused by Hurricane Ivan, I will be highlighting the recovery that took place in 2005. In this overview, I will be using updated economic figures for 2004 as they appear in the Annual Economic Report for 2005.

Madam Speaker, our domestic economic performance in the past two years occurred against the backdrop of strong global growth despite oil prices increasing and the occurrence of natural disasters. According to the latest Economic Report of the

International Monetary Fund, world gross domestic product was estimated to have grown by 5.3 per cent in 2004 and by 4.8 per cent in 2005. Overall, global growth continued to ride on productivity increases in most advanced economies supported by healthy domestic demand. Consumption demand continued to enjoy robust growth in the US and Canada and picked up in Japan, but moderated slightly in the Euro area and, more so, in the UK. Compared to 2004, investment in the advanced economies decelerated overall in 2005. However, US investment remained strong, boosted by post-Hurricane Ivan/Katrina reconstruction work.

Global growth in the past two years remained dependent upon the US economy, the main source of Cayman's capital consumption and intermediate goods. However, the sustained growth of Japan and the Euro area also contributed to a broader-based pace of growth. Among developing countries and emerging markets, China and India continued their strong performance. Our neighbouring Caribbean economies recorded stronger growth in 2005 compared to 2004. The average growth of GDP (gross domestic product) in the region in 2005 was 5.9 per cent compared to 2.3 per cent in 2004. Most of the growth emanated from external sources as manifested in the growth of the services sector.

The Cayman Islands benefited from the restrained global inflation in the past two years as a large proportion of the goods used in the domestic sectors were imported. Global inflation rates generally picked up in 2005, but were restrained to 2.3 per cent amongst advanced economies compared to 2 per cent in 2004. Across the globe the main threat to prices was the steep increase in oil prices, which in 2005 alone grew by approximately 41 per cent.

Regionally, the average inflation rate in Latin America and the Caribbean was higher than those seen among the advanced economies and developing countries during 2004 and 2005. This was on account of a few countries such as Costa Rica, Haiti, Jamaica and Venezuela which had double-digit inflation rates for the past two years. The inflation rate for the region as a whole was recorded at 6.5 per cent in 2004. This decelerated slightly in 2005 to 6.3 per cent.

Madam Speaker, turning to the Cayman Islands, our economy demonstrated a quick turnaround in the past two years as it recovered from the devastating impact of Hurricane Ivan in 2004. Real GDP growth in 2005 was estimated to be 6.5 per cent. In comparison, real GDP growth in 2004 was estimated to be 0.9 per cent. Gross domestic product growth in the post-Ivan period was supported by the construction industry and other sectors related to construction and real estate. The financial sector continued to contribute significantly to economic growth, although tourism suffered from declines in stay-over tourists. Throughout the last quarter of 2004 up to the last quarter of 2005 shortages in the supply of goods and services were progressively restored, particularly in housing.

To this end, the inflation rate of consumer prices decreased from 11.1 per cent in the last quarter of 2004 to 0.3 per cent in the last quarter of 2005. Average inflation in 2005 was estimated at 7 per cent compared to 4.4 per cent in 2004.

The recovery efforts required a sharp increase in the labour force which impacted the population level. The year end population in 2005 was estimated at 52,466, which was 18.7 per cent higher than the pre-Ivan population estimate in April 2004. During 2005 employment grew by 22.5 per cent, reducing the unemployment rate to 3.5 per cent from 4.4 per cent in 2004. The unemployment rate in 2005 was the lowest since 1994.

Total imports grew by 36.4 per cent to reach \$990.4 million in 2005 compared to \$725.9 million in 2004. Reflective of the demand for goods for reconstruction, capital goods rose by 73.8 per cent in 2005 while intermediate goods, including construction materials, grew by 32.4 per cent. The country's macro-economic fundamentals were supported by an improvement in Central Government's fiscal balance. A current surplus of \$82.9 million, or 4.6 per cent, of GDP was recorded in 2005 in comparison to a deficit of \$13.2 million in 2004. Consequently, the overall deficit declined from \$41.7 million in 2004 to \$1.7 million in 2005. Central Government's outstanding debt stood at \$172.9 million as of 2005, or 9 per cent of GDP, and was 19 per cent greater than the balance as of 2004.

The financial services sector posted further growth in 2005 compared to 2004. Increases were seen in insurance company licences of 5 per cent, mutual funds 19.8 per cent, stock exchange listings 18 per cent, stock exchange capitalisation 41 per cent, and new company registrations 14.8 per cent. The only exception was bank and trust licences which declined by 5.3 per cent in 2005, relative to 2004 due to continued consolidation within the banking industry.

Within the tourism industry, visitor arrivals totalled 1,966,800 in 2005, an increase of less than 1 per cent over 2004. Cruise ship arrivals increased by 6.2 per cent to reach approximately 1.8 million, while air arrivals decreased by 35.4 per cent to register at 167,801. In real estate, the total value of property transfers increased by 32.9 per cent from \$339.2 million in 2004 to \$450.8 million in 2005. This was as a result of a 32.2 per cent increase in the volume of transfers and a 5.3 per cent increase in the average value. The construction sector experienced an exceptional year of growth in the aftermath of Hurricane Ivan. To this end, building permits doubled from \$142 million in 2004 to 336.8 million in 2005 while the total value of planning approvals exceeded the \$550 million mark for the first time.

The telecommunications sector grew in 2005 as the total number of fixed and mobile lines was up by 14.9 per cent compared to 2004 to register at 110,656. Madam Speaker, all these economic devel-

opments in 2004 and 2005 have led to further growth in our per capita income despite an increase in the population level. In 2004 per capita income was estimated at \$38,173, and the economic growth in 2005 further increased this to \$39,801.

Thank you, Madam Speaker.

A Report on the ICT Authority's Performance and Finances for the Period from 8th May 2002 to 30th June 2004

The Speaker: I recognise the Honourable Minister responsible for Communications, Works and Infrastructure.

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

Madam Speaker, I beg to lay on the Table of this House A Report on the ICT Authority's Performance and Finances for the Period from 8th May 2002 to 30th June 2004.

The Speaker: So ordered.

Does the Honourable Minister wish to speak thereto?

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

Madam Speaker, I am pleased to lay this Report on the Table of this Honourable House, the Report and audited financial statements of the Information and Communications Technology Authority (ICTA) for the period from its establishment in May 2002 until 30 June 2004. To comply with section 21 of the Information and Communications Technology Authority Law the Report for the period ending 30 June 2003 should have been presented to this Honourable House by 31 March 2004 and the Report for the period ending 30 June 2004 by 31 March 2005. An explanation is therefore warranted.

The commencement of the 2002/2003 audit by the Auditor General's Department was delayed for a number of reasons. Firstly, although the Authority was established in May 2002, it received no funding or staff until July and August respectively of that year. Secondly, Madam Speaker, the then government did not decide upon the ongoing method of funding for the Authority until well into 2003. Thirdly, part way through the period, and with the Auditor General's agreement, the Authority's financial year was changed from January to December to July to June, to bring it inline with government's revised financial reporting period. Lastly, throughout 2003 the Authority's very small staff was fully committed to the liberalisation negotiations with Cable & Wireless (CI) Ltd and meeting with Government's deadlines for the issuing of new ICT Licences.

Following these delays, Madam Speaker, the Auditor General's Department was unable immediately to allocate staff to conduct the audit fieldwork. This was conducted as resources and other priorities permitted throughout 2004. It was interrupted by Hurricane Ivan and was completed in December of that year.

Madam Speaker, unfortunately, due, I understand, to a lack of resources, the completed audit was not returned to the Authority for a further 12 months; that is not until December 2005. By that time the Authority had decided to issue a report for the two-year period ending 30 June 2004 despite the fact that the financial statements for the second year would be un-audited.

It made this decision not only in an attempt to catch up with its reporting obligation, but also because the resulting report was more meaningful as it covered events from the establishment of the Authority to the commencement of competition. The Auditor General's Department then indicated that it would immediately commence the 2003/2004 audit and that it anticipated completing it within two to three months. In light of this information, the Authority decided to defer publication of the Report until the audited financial statements for 2003/2004 could be included. These were finalised in June 2006.

I am pleased to report, Madam Speaker, that the audit of the Authority's accounts for the 2004/2005 financial year is already in progress and that all future reports should be published in accordance with the specified timetable.

I thank you, Madam Speaker.

Financial Statements of the University College of the Cayman Islands for the year ended 30 June 2005

The Speaker: I recognise the Honourable Minister responsible for Education, Training, Employment, Youth, Sports and Culture.

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

Madam Speaker, I beg to lay on the Table of this Honourable House the Financial Statements of the University College of the Cayman Islands for the year ended 30 June 2005.

The Speaker: So ordered.

Does the Honourable Minister wish to speak thereto?

Hon. Alden M. McLaughlin, Jr.: Briefly, Madam Speaker.

Madam Speaker, the statements indicate that the total fixed assets of the University stood at \$6,640,564 at 30 June 2005; total current assets are \$2,717,516; total assets \$9,358,080; long-term liabilities \$2,520,315; current liabilities \$751,091; total equity and liabilities \$9,358,080.

Madam Speaker, I will just read the certificate of the Auditor General directed to the Board of Governors of the College.

"I have audited the financial statements of the University College of the Cayman Islands for the year ended 30 June 2005 as set out on pages

three to nineteen and in accordance with Section 51(3) of the Public Management and Finance Law (2003 Revision).

"These financial statements are the responsibility of the University College's management. My responsibility is to express an opinion on the financial statements based on my audit.

"My examination was made in accordance with International Standards on Auditing which require that I plan and perform my audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

"The College was unable to provide supporting documentation relating to 369.5 days of accrued vacation leave for the President in the amount of \$177,983. As such, I am unable to satisfy myself as to accuracy and existence of the accrued employee's benefit. As of 30 June 2005 payments of \$21,734 were made as part of the agreement to pay off the amount over a two-year period as approved by the Board of Governors.

"In my opinion, except for the possible effects of the accrued vacation leave, these financial statements present fairly, in all material respects, the financial position of the University College of the Cayman Islands as at 30 June 2005 and the results of its operations and its cash flows for the year then ended in accordance with international financial reporting standards and comply with the Community College (Amendment) Law (2004 Revision).

"Without further qualifying my opinion, I also draw your attention to note 16 to the financial statements. On 12 September 2004 the University College sustained damages of \$944,800 to its fixed assets as a result of Hurricane Ivan. The University College has filed an insurance claim in relation to the damages sustained. To date, no proceeds or confirmation of proceeds have been received from the Agent Risk Management Unit of Cayman Islands Government, although proceeds were received on behalf of and distributed to other Government entities."

"Signed Dan Duguay, MBA, CJA, Auditor General, 2 June 2006.

The Speaker: I recognise the Honourable Minister responsible for Education, Training, Employment, Youth, Sports and Culture under his umbrella of Chairman of the Legislative Assembly Committee to govern the Complaints Commissioner or to present reports on behalf of the Complaints Commission.

Investigation of Privileges and Opportunities Available to the Inmates of Fairbanks and Northward Prisons – Own Motion Investigation Report prepared by the Complaints Commission, Acting Commissioner, dated 7 June 2006

Hon. Alden M. McLaughlin, Jr.: Madam Speaker, I beg to lay on the Table of this Honourable House a Report entitled Investigation of Privileges and Opportunities Available to the Inmates of Fairbanks and Northward Prisons – Own Motion Investigation Report prepared by the Complaints Commission, Acting Commissioner, Petula Twin, dated 7 June 2006.

The Speaker: So ordered.

Does the Honourable Chairman wish to speak thereto?

Hon. Alden M. McLaughlin, Jr.: Briefly, Madam Speaker, to read the synopsis of the Report.

“The Office of the Complaints Commissioner (“OCC”) commenced an Own Motion Investigation into the alleged differences in privileges and programs afforded to the inmates of the Fairbanks [Prison] (the women’s prison) and Northward Prison (the men’s prison). The investigation considered the Community Work- Release and Rehabilitation Program (“CWR Program”), the Educational Program, telephone access and the privileges afforded Category D prisoners at Northward and Fairbanks.

“There were some differences between the privileges and programs extended in the two prisons. These have been detailed in the body of the report.

“Of note is the [opportunity] of female inmates to participate in the CWR program. It is also recommended that Her Majesty’s Prisons (“HMP”) follow the provisions set out in the CWR Program document. It is also recommended that the guidelines be amended to allow female inmates equal access to the CWR Program. This will involve addressing concerns about female inmates becoming pregnant while participating in the CWR Program, including closer supervision of inmates.

“The second noted difference is the difference of privileges extended to the inmates of Northward and Fairbanks. It is recommended that as far as possible - bearing in mind the physical difference in the structures of the two prisons - that the privileges afforded to all inmates are consistent. Where there are unavoidable differences, every effort should be made to have comparable privileges extended to the inmates of the particular prison.

“It is our conclusion that the opportunities and privileges extended are reasonably equal to the inmates of Northward and Fairbanks with

one major difference in relation to the CWR program and minor differences in the privileges extended to certain categories of inmates. Adherence to the recommendations will end the unsatisfactory situation.”

Thank you, Madam Speaker.

**STATEMENTS BY HONOURABLE
MINISTERS/MEMBERS
OF THE CABINET**

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

Update on the Western Hemisphere Travel Initiative

Hon. Charles E. Clifford: Thank you, Madam Speaker.

Madam Speaker, I recently represented the Cayman Islands in Washington D.C. for meetings with representatives of US Congress on the Western Hemisphere Travel Initiative (WHTI), a proposed US policy which could have a detrimental impact on the Cayman Islands tourism industry and indeed the region, if it proceeds as planned.

The WHTI arises from a 2004 US Intelligence Reform Bill which contains a provision that requires a passport or other accepted document for all US citizens travelling within the Western Hemisphere by 1 January 2008. The US, Madam Speaker, has proposed a phase-in approach for different regions.

As the public may recall a year ago I first tackled this issue by writing to the US Secretary of State and Members of the US Congress and working with the Caribbean Tourism Organisation (CTO) and its member countries to lobby on this issue. These efforts resulted in a one-year deferral from the initial 1 January 2006 implementation date for the Caribbean region. Madam Speaker, the revised implementation date is 1 January 2007 for all US citizens travelling by air or sea to the Caribbean region. The implementation date is problematic for a number of very critical reasons including the following points:

- It creates an un-level playing field as the implementation date for travel by land to Canada and Mexico is 1 January 2008.
- Secondly, the date places Caribbean states versus other drive-to destinations such as Canada and Mexico, at a significant disadvantage as islands are totally dependent on air and sea transport as the sole means of access.
- Thirdly, the proposed date does not give adequate time for the travel industry to educate travellers, and if the phase-in occurs visitors that have already booked their travel for 2007 could incur unexpected and significantly increased costs.

- Fourthly, this could have a very profound impact on family-based travel as, for example, a family of four would require four individual passports as the policy requires passports for children as well.

Madam Speaker, given the significant threat this policy poses, the Cayman Islands has joined with the Caribbean Tourism Organisation, the International Council of Cruise Lines and other leading travel organisations in opposing the phase-in proposal and supporting a common implementation deadline of 1 January 2008 or later.

Madam Speaker, I am pleased to report that I participate in a round of talks on Capital Hill with key bipartisan senate and congressional representatives. The Acting Permanent Secretary in the Ministry, Mrs. Gloria Mc-Field-Nixon, attended meetings at the Florida House with the Chiefs of Staff of numerous Congressmen from the State of Florida.

All of our meetings confirmed that there is strong bipartisan support to review and defer the implementation date of the Western Hemisphere Travel Initiative in favour of a consistent roll out date for air, sea and land travel later than 1 January 2007. Madam Speaker, while no definitive answer could be provided, the representatives were particularly sensitive to the issues this created for Caribbean destinations as well as the cruise industry which could be negatively impacted by the proposal in its current form.

In the interim, the Cayman Islands continue to vigilantly respond on all fronts. The Department of Tourism is working with the Immigration Department and the cruise lines to continue to monitor the threat to the Cayman Islands' visitor arrivals. The Department of Tourism advises that for stay-over visitors the clear majority, approximately 80 per cent, currently travel on passports. While still unconfirmed, it is anticipated that the percentage of non-passport holders is significantly higher for cruise arrivals.

Madam Speaker, clearly any policy which negatively impacts arrivals by air or sea or which acts as a disincentive to travel to the region due to perceived additional obstacles and burdens, is an unacceptable risk. In the interim, the Department of Tourism continues to advise potential US visitors through points of sale such as travel agents and websites, that a passport will be required for future travel to the region, and, in fact, all regional countries, Madam Speaker, have adopted this approach.

Madam Speaker, suffice it to say that all that can be done is being done to address this matter. I undertake to keep the public advised, within the parameters permitted by diplomatic relations, of updates on this matter.

I thank you, Madam Speaker.

Short Questions—Standing Order 30(2)

The Speaker: Honourable Leader of the Opposition.

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

I would like to ask under the Orders—

The Speaker: You are rising under Standing Order 32 which allows the Presiding Officer's discretion to allow short questions to be put to the Minister making the statement for the purpose of clarification.

Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: Thank you.

Madam Speaker, can the Minister say, did or has the Government employed or, otherwise gotten any lobbyists to assist their efforts in the United States passport matter?

The Speaker: Honourable Minister responsible for Tourism.

Hon. Charles E. Clifford: Thank you, Madam Speaker.

Madam Speaker, on this specific issue, the Cayman Islands Government has not employed a lobby firm. However, what we have done, as I indicated in the statement, we have been working with the Caribbean Tourism Organisation and other key stakeholders such as the International Council of Cruise Lines. Through those bodies we have, in fact, utilised lobby firms in Washington, and it was a lobby firm by the name of, I think it is called, Alcalde and Fey which facilitated the recent meetings in Washington D.C.

Thank you, Madam Speaker.

The Speaker: Honourable Leader of the Opposition—can I ask if Members have a copy of this statement?

Hon. W. McKeeva Bush: At least I do not have any, Madam Speaker.

Madam Speaker, the question—

The Speaker: Honourable Leader of the Opposition

Hon. W. McKeeva Bush: Thank you.

Madam Speaker, the Minister has said that there is strong—or they have detected strong bipartisan support for deferral of the timeline. Can he say what efforts are being made by those who are giving the bipartisan support, or are involved with the bipartisan support?

The Speaker: Honourable Minister responsible for Tourism.

Hon. Charles E. Clifford: Madam Speaker, what has happened recently, I think it was around 29 June, a bill passed in the Senate that supported a deferral of the implementation date to sometime in 2008. I think it is 1 January 2008 or later. There is a similar bill that has also passed in the House that does not contain comparable language. While it generally supports the position, it does not contain comparable language, so the

process now in the Congress is for them to have what they call a "conference" to bring the representatives of the Senate and the Congress together, to reconcile the two bills so that they can move forward with a common understanding and approval. That is where it is at right now, and it seems, based on the feedback that we have received, that there is support for our position. So while I cannot stand here and confirm the position, I am optimistic that the two bills will be reconciled inline with what has already been passed in the Senate.

Thank you, Madam Speaker.

The Speaker: I recognise the Honourable Minister responsible for Cayman Airways Ltd for a statement.

Hon. Charles E. Clifford: Madam Speaker, I understood that this was being deferred until Monday, so I am happy for that. I am not—

GOVERNMENT BUSINESS

BILLS

FIRST READINGS

The Public Service Management (Amendment) Bill, 2006

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

The Labour (Amendment) Bill, 2006

The Speaker: The Bill has been read a first time and is set down for a second reading.

The Trusts (Amendment) Bill, 2006

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

SECOND READINGS

The Public Service Management (Amendment) Bill, 2006

The Speaker: I recognise the Honourable Acting First Official Member.

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

Madam Speaker, I beg to move the Second Reading of a Bill entitled The Public Service Management (Amendment) Bill 2006

The Speaker: The question is that The Public Service Management (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 Public Management (Amendment) Bill, 2006 to be given a second reading.

The Speaker: Honourable Acting First Official Member, do you wish to speak thereto?

Hon. Donovan W. F. Ebanks: Yes, Madam Speaker, thank you.

I know it has been a little while since I have been down here to bother you, so . . .

The Speaker: Honourable Acting First Official Member, I guess I have made a mistake is why everybody is prancing all over the place. The motion has been duly moved and is open for debate. Does the Honourable Member wish to speak thereto?

Hon. Donovan W. F. Ebanks: Yes, Madam Speaker, thank you.

Madam Speaker, the Public Service Management Law was passed by this House last November and I had the opportunity then to move the Bill to establish the Law. I guess it is only fitting that the tweaks and adjustments that have emerged as needed now fall back to me to come back to this House to seek approval of.

A considerable amount of work, Madam Speaker, has been done since the enactment of the Law late last year. This has included the preparation and dissemination of a detailed implementation plan and the development of draft personnel regulations to support the Law, together with a rather extensive consultation process within the Civil Service on the draft regulations and various briefings, and the Ministries' and Portfolios' running workshops and other communication exercises.

Madam Speaker, the draft personnel regulations were issued to the Public Service for comment back in mid-February and a deadline for feedback was initially set at 31 March and I think subsequently extended.

Madam Speaker, I would like to acknowledge the extensive work put in by the former Chief Officer of the Portfolio of the Civil Service, Mr. Colin Ross, who steered this consultative feedback process and who has since gone on to that which we all, at some point, seek to do: relax and take it easy. I was pleased that Mr. Ross had the opportunity to, in my unexpected absence, spend some time down here, and he and I had quite a running exchange going on his adventures. By disposition, he is a very quiet and shy individual, but at the same time, I must acknowledge that he is someone who has, I think, made a tremendous contribution to Cayman both in his initial career as an educator and more recently in his time in the Public Service, and in

particular, the Portfolio of the Civil Service and involvement with this legislation. He has set some good standards for others to follow and I told him he could get no better baptism to the Parliamentary arena than when he had to come down here and deal with a Parliamentary Question from the Leader of the Opposition in relation to salaries. I thought that was an excellent baptism for him! He did extremely well, and I am personally grateful and I know the Service is grateful for his contributions.

However, emanating from that consultative process that Mr. Ross headed up were a couple of changes that, it was felt, were essential to be made to this legislation, the Public Service Management Law. Madam Speaker, this Bill therefore seeks to address those and in the process a couple of other minor changes have also been identified. The first change as addressed in clause 2 has to do with the date when the different provisions of the Public Service Law come into effect.

There was strong support, Madam Speaker, during the consultative process for the overall reforms, but there were also substantial concerns expressed in some of the submissions, particularly from the Civil Service Association, that the timeline for implementation was a bit too short and that, perhaps, Ministries and Portfolios were not going to be adequately prepared for the Law to come into force as it had been scheduled on 1 July 2006.

The Civil Service Association strongly recommended that the implementation date be deferred to allow greater communication and preparation. I should also acknowledge that the Permanent Secretary's, or Chief Officer's, group also supported that recommendation. In turn, it has then been decided that the commencement date for the Law should be deferred by six months and move from 1 July 2006 to 1 January 2007 thereby, Madam Speaker, allowing a further six months to communicate the detailed aspects of the reform widely within the Service and ensure that Ministries and Portfolios are well prepared for the changes.

Clause 3, Madam Speaker, of the Bill seeks to amend section 26 of the principal Law. Section 26 dealt with the appointment of Chief Officers but had not addressed the transfer of Chief Officers, and hence the provisions in this clause simply seek to facilitate the possible transfer of a Chief Officer, a serving Chief Officer, either to another Chief Officer's position or to another position within the Public Service. Clause 4 seeks to address a situation which was highlighted as well during the consultative process, in particular, in relation to the appointment in certain circumstances without open competition.

The firm basis of the substantive Law, the Public Service Management Law, was that all recruitment, promotion or transfer would be done through open and competitive appointment, and this was for several reasons. First, it seeks to allow existing civil servants an opportunity to put themselves

forward for opportunities for promotion or advancement that present themselves. Secondly, Madam Speaker, the principal Law seeks to ensure that appointing officers conduct appointment processes fairly and openly and without favouritism. I guess, thirdly, it helps to ensure that the best person available in terms of qualifications, skills and experience is appointed and that the old adage that we dealt with for so long, seniority is not just the only characteristic that is taken into consideration.

[Inaudible interjections]

Hon. Donovan W. F. Ebanks: Certainly, Madam Speaker, the feedback during the consultative process was that there was strong support for this general principal. However, what was highlighted were that there are certainly situations where, for example, an agency identifies someone who could benefit from some training in a particular field in order to be able to move to another position that it has the need to have filled and it would like to have filled, let us say, by a Caymanian. Certainly, in those circumstances where someone is sent off on training or sent to train locally in order to develop them to match the qualification requirements of a position, then the contention is that it is, perhaps, not appropriate to still require that person (having met the qualifications to fill a particular post) to have to contend for that post. Particularly, in a number of our areas, teaching profession for example, there is such a desperate need to attract more Caymanians to those sorts of positions. So the intention is to amend section 41 of the Law to make it possible, in certain circumstances which the Head of the Civil Service would have to approve for a position to be filled on appointment or promotion or transfer within the Service without the otherwise requirements for open competition.

So it is not simply a free for all. There are conditions which have to be met and there is the Head of Civil Service who has to be satisfied those conditions are met in order for exception to be available. Certainly, the feeling is that, as I said for those reasons, we should not tell someone that we are interested in training them and developing them to meet a certain position and then have them have to contend to actually get that position which we say we have trained them for.

Clause 5, Madam Speaker, simply seeks to address a shortcoming in that under section 54 of the Law there are certain privileges for public servants to appeal decisions taken by Chief Officers. This amendment simply seeks to make it clear that a public servant cannot appeal the decision of a Chief Officer to delegate powers of appointment. In other words, an immigration officer cannot appeal my decision to delegate to the Chief Immigration Officer the power to make appointments within the Immigration Department simply because they feel he should not have that power. The intent of the Law is not for a public servant to be able to appeal that delegation. If they feel they in

turn are treated inappropriately by the officer that I have delegated that authority to, if they feel the Chief Immigration Officer is not fair to them in terms of how he handles their promotion, their development, there are avenues for them to appeal how he deals with them, but they cannot appeal the fact that I have decided to delegate to him the authority to do certain things.

The final clause, Madam Speaker, clause 6, simply inserts a new section in section 59 which seeks to specify the adjudicatory powers of the Civil Service Appeals Commission and make it clear what those powers are.

Madam Speaker, that is a summary of the provisions of the Bill. I do not think any of it is, I would trust, overly controversial, and I would certainly solicit the support of Members for its passage. Thank you, Madam Speaker.

The Speaker: Proceedings will be suspended for 15 minutes.

Proceedings suspended at 11.03 am

Proceedings resumed at 11.23 am

The Speaker: Please be seated. Proceedings are resumed. Debate on the Public Service Management (Amendment) Bill, 2006 continuing. Does any other Member wish to speak? *[Pause]* Does any other Member wish to speak? *[Pause]* If no other Member wishes to speak, does the Honourable Acting First Official Member wish to exercise his right of reply?

Honourable Acting First Official Member.

Hon. Donovan W. F. Ebanks: Certainly, Madam Speaker. I am most grateful for the kind reception and I thank Members for their support of the Bill. I would simply also acknowledge that maybe had I listened to the Lady Member for George Town – the Third Elected Member for George Town, I may have had a little shorter Bill to have brought this morning, but I am grateful to Members for their support.

Thank you, Madam Speaker.

The Speaker: The question is that a Bill shortly entitled The Public Service Management (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. The Public Service Management (Amendment) Bill, 2006 has been given a second reading.

Agreed. The Public Service Management (Amendment) Bill 2006 read a second time.

The Speaker: The Honourable Minister of Labour—*[Pause]*

Madam Clerk, can we move to the Trusts (Amendment) Bill as the Honourable Minister of Labour is in a meeting at this time?

The Trusts (Amendment) Bill, 2006

The Speaker: I recognise the Honourable Third Official Member.

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

Madam Speaker, I beg to move the Second Reading of a Bill entitled The Trusts (Amendment) Bill, 2006.

The Speaker: The motion has been duly moved and is open for debate. Does the Honourable Third Official Member wish to speak thereto?

Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Speaker. The Bill is a very simple one: Its Memorandum of Objects and Reasons states that its purpose is to seek an increase to both the initial registration fee, which an exempted trust would have to pay, and it also seeks to increase the annual fee which such an exempted trust would have to pay each year after it has been established. An exempted trust is a trust under which the beneficiaries are neither resident nor domiciled in the Cayman Islands.

Clause 1, Madam Speaker, of the Bill would provide for the name of the proposed Law and clause 2 would increase the initial registration fee presently at \$400 to \$500. Clause 3 of the Bill would increase the annual fee payable by an exempted trust presently at \$100 per annum to \$500 per annum.

Madam Speaker, Honourable Members will know that the Government put forward a revenue measures package for its 2006/7 financial year, and the increases that I have just outlined are a part of those revenue measures. Registration and annual fees payable by trusts were last updated in 1999. The bulk of the additional revenue expected for the 2006/7 year in respect of trust fees will result from the proposed increases in the annual fees payable by exempted trust.

The annual fees are payable in March of each year, and therefore the increases that are proposed in the Bill, if approved by the House, will become payable in March 2007, which falls within the Government's 2006/7 financial year that ends on 30 June 2007. Therefore, although the Government's 2006/7 financial year starts on 1 July 2006, and we are seeking approval for this Bill in late July 2006, the additional revenue projections in the 2006/7 year are still achievable because they are due, in the majority cases, to be col-

lected in March of 2007. So the additional revenue projections are achievable, Madam Speaker.

It is also important to note that the fee increases proposed in the Bill are supported by two prominent private sector organisations. In fact, those organisations suggested the increases that are given by the Bill.

Madam Speaker, in conclusion I would commend the Bill now before the House to all Honourable Members and ask that they respectfully give it their support. Thank you.

The Speaker: Does any other Member wish to speak? *[Pause]* Does any other Member wish to speak? *[Pause]* If no other Member wishes to speak, does the Honourable Third Official Member wish to exercise his right of reply?

Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Speaker, just to say thanks to all Honourable Members for their silent support. Thank you.

The Speaker: The question is that a Bill shortly entitled The Trusts (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. The Trusts (Amendment) Bill, 2006 has been read a second time.

Agreed. The Trusts (Amendment) Bill, 2006 read a second time.

The Speaker: Before I move on to the next order of the day, I would like to welcome to the Gallery the wives of the visiting MP's of the United Kingdom Branch of the Commonwealth Parliamentary Association. I welcome you on behalf of the Members of this House on your visit with us today.

GOVERNMENT BUSINESS

MOTIONS

Government Motion No. 4/06-07 The Development and Planning (Amendment) Regulations, 2006

The Speaker: Honourable Third Official Member.

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

Madam Speaker, I beg to move Government Motion No. 4/06-07 which is captioned "The Development and Planning (Amendment) Regulations,

2006". With your permission, Madam Speaker, I would like to read the Government Motion.

The Speaker: So ordered.

Hon. G. Kenneth Jefferson: Thank you, Madam Speaker. The Government Motion reads as follows:

WHEREAS section 42(1) of the Development and Planning Law (2005 Revision) provides that the Governor may make regulations;

AND WHEREAS section 42(3) of the said Law provides that no regulations shall be made pursuant to the said Law unless a draft thereof has been laid before the Legislative Assembly and a resolution approving the draft has been passed by the Legislative Assembly;

AND WHEREAS the draft Development and Planning (Amendment) Regulations, 2006 were laid on the Table of this Honourable House;

BE IT THEREFORE RESOLVED THAT the draft Development and Planning (Amendment) Regulations, 2006 be approved by the Legislative Assembly in accordance with the provisions of section 42(3) of the Development and Planning Law (2005 Revision).

That is the motion, Madam Speaker.

The Speaker: The Motion has been duly moved and is open for debate. Does the Honourable Third Official Member wish to speak thereto?

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

Government Motion No. 4/06-07 seeks the Legislative Assembly's approval for the draft Development and Planning (Amendment) Regulations, 2006 that were tabled earlier. Those Regulations propose a change to the level of building permit fees that are payable in respect of the construction of homes; apartments; duplexes; condominiums; hotels; offices; shops; commercial buildings; industrial buildings; gas stations; swimming pools and the use of illuminated signs. The building permit fee that is applicable to a particular building or item that I have just mentioned depends upon the physical location of the building or the item within Grand Cayman and Little Cayman. Building permit fees are not applicable to Cayman Brac.

For the purpose of calculating building permit fees, Grand Cayman is defined in the Regulations as consisting of Area 'A' and Area 'B'. The Regulations specify the particular registration blocks of property in Grand Cayman that constitute Area 'A', and those blocks that are not specified as being Area 'A' are deemed to be Area 'B'. Little Cayman falls within Area 'B'. The building permit fees applicable to Area 'A' are twice those relating to Area 'B' simply because Area 'A' is more developed than Area 'B'.

In late 2001 following the tragic events of September 11, 2001 and their consequent adverse effects

on the world's economy, the government at the time decided to lower rates of stamp duty, infrastructure fund fees and building permit fees as stimulants to the local economy. Those lowered rates have remained in effect from late 2001 to 30 June 2006. The Government believes that the economy has rebounded sufficiently well to enable the rates of stamp duty, infrastructure fund fees and building permit fees to be restored to their pre-September 11, 2001 levels. The Regulations tabled earlier seek to restore the building permit fee rates to their pre-September 2001 level.

Madam Speaker, the Legislative Assembly recently approved the Appropriation Law for the 2006/7 financial year. The levels of expenditure contained in that Appropriation Law are supported by revenues for the 2006/7 year. A part of the overall revenue for Government's 2006/7 financial year includes enhanced building permit fees, and given that the Legislative Assembly has approved the Appropriation Law for the 2006/7 year it is logical to expect that the House supports the forecasted revenues for that same year. Enhanced building permit fees are a part of that revenue stream. It is expected that the House will hopefully support the enhanced building permit fees.

Supporting the enhanced building permit fees, Madam Speaker, necessitates supporting Government Motion No. 4/06-07. Madam Speaker, for the reasons that I have just stated, I would commend this Government Motion to all Honourable Members of the House and respectfully ask that they give it their support. Thank you.

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

Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: Madam Speaker, there are questions that we would have from this side on this Bill, but I believe we are going to wait until we get into Committee where we will hopefully have a little bit more scope in dealing with this—no, this is not going to Committee either.

Madam Speaker, I just received a copy of this and I know that we had enquired as to the building of duplexes which is construction of housing that many Caymanians (and more Caymanians than anybody else) get into. It is an investment for them, and I believe this is going to be a little bit prohibitive. Certainly, it is going to raise the cost if, Madam Speaker, they have not reduced it. I thought that was one of the agreements we had made earlier, that when we brought it to the attention of the Government they would look at it and reduce it. I am not sure, and I do not have the original documentation. I know that this is the prerogative of the Leader of Government business since the Planning Department is part of his Ministry. I suppose the Financial Secretary is bringing it because of the fees. However, I am wondering and

I am hoping that the Financial Secretary, Madam Speaker, can answer that question.

On the whole, Madam Speaker, while we might say that the Islands have got back somewhat to pre-Ivan conditions, what has happened is costs (and everybody knows this) have risen tremendously in this country, all around. In fact, costs have gone up in planning materials since we purchase through the United States and since the United States have been so hard-hit themselves. There has been a tremendous rise in the cost of building materials and, Madam Speaker, I do not know that this is the prudent thing to do. We know that given the Government's plan for various construction they will need money and, of course, given the path on borrowing makes it that much more needed.

Madam Speaker, it is already costly for people to build homes and Caymanians do build houses over 1,200 square feet. It is not easy, Madam Speaker, the procedures that you have to go through with planning now. Some of it is all well and good. We want Planning Department to ensure that there is proper construction, we want that to happen, but by God, some of the things that I see happening and some of the complaints that I have been getting on the planning, it is really ridiculous.

Madam Speaker, I would like that question answered in regards to duplexes. Thank you.

The Speaker: Does any other Member wish to speak? *[Pause]* Does any other Member wish to speak? If no other Member wishes to speak, does—Second Elected Member for the district of Cayman Brac and Little Cayman.

Mr. Moses I. Kirkconnell: Thank you, Madam Speaker. This will be short. I would just like to make note that the Third Official Member said that there are no building permit fees in Cayman Brac, and as a representative for Cayman Brac I want to say to the Third Official Member that we thank him for bringing that forward and continuing that practice which should continue to help Cayman Brac rebound.

Thank you, sir. Thank you, Madam Speaker.

The Speaker: Does any other Member wish to speak? *[Pause]* First Elected Member for the district of Cayman Brac and Little Cayman.

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

Madam Speaker, just a few words as it relates to the Development and Planning (Amendment) Regulations to say, first of all, Madam Speaker, that when one looks at the comparative increase for the building permit fees under Area 'A' and 'B' respectively, insofar as it relates to Grand Cayman and Little Cayman there is in almost every case a one hundred per cent increase.

I am grateful for the continuation of the policy by the Honourable Third Official Member as it relates to Cayman Brac where there have not been any fees and for the wisdom to continue this policy. However, I would say that the policy encompasses the other part of my constituency, that of Little Cayman, which will also, in addition to the Island of Grand Cayman, now see a one hundred percent increase in the building permit fees.

I also make enquiry, Madam Speaker, of the Honourable Third Official Member as to whether the existing policy of the waiver for fees as related to Cayman Brac which was due on 1 July, whether Cabinet has extended the same. May it please you.

The Speaker: Does any other Member wish to speak? *[Pause]* Does any other Member wish to speak? The Honourable Minister responsible for Communications, Works and Infrastructure.

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

Madam Speaker, obviously, in the absence of the Leader of Government Business, one of us had to reply to the political debate that seems to be commencing here. Madam Speaker, certainly I will be short too, but I think the area of concern seems to be that of Cayman Brac and Little Cayman. Madam Speaker, certainly the Government is doing everything possible to continue to carry out policies that were put in place for Cayman Brac and Little Cayman, and for the reason they were put in place which was to try to stimulate the economy and development in those two beautiful Islands.

Madam Speaker, not talking out of school but, certainly, the First Elected Member for Cayman Brac and Little Cayman can rest assured that the concessions that have been in place for many years will continue to be in place because the PPM Government has committed and it has a mandate to ensure that we continue to try and stimulate the economy within those Islands.

Madam Speaker, I think the First Elected Member for Cayman Brac and Little Cayman asked about the duty waiver which expired on 1 July, I think it was.

An Hon. Member: June 30.

Hon. V. Arden McLean: Thirtieth of June. I can assure the Lady Member that it has been extended in accordance with previous extensions. Certainly, Madam Speaker, I noted the Lady Member asked if it is retroactive. It is from 1 July. It expired on 30 June, and therefore it is 1 July that the concessions will recommence. So there is no retroactive-ness about it, it just continues, Madam Speaker.

Madam Speaker, I heard the Leader of the Opposition talk about duplexes as well. Madam Speaker, we are very cognisant of the fact that Cay-

manians use duplexes for the purposes of investment, particularly middle-aged couples and families who have young children and they are making provisions for their future, and for their children's future and then in their golden years as well.

Madam Speaker, certainly the Government is in the process right now of looking at all of these areas. Fortunately, or unfortunately, this amending Bill came before all of those areas were looked at. I can assure the Leader of the Opposition too, that we have concerns about the cost of living increase in this country. We too live in this country. We are not in isolation. We too have to go to the grocery stores the same way that the other Caymanians have to go. So, Madam Speaker, we share in the pinch that other Caymanians and our peers share in when we all go to the stores, we all go to creditors. The Government is very cognisant of it, Madam Speaker.

The Government is looking at housing as well, in a new, innovative way, to support Caymanians and to help Caymanians. Madam Speaker, all my life I have heard, *'Who are we developing for?'* Well, Madam Speaker, that is true. We need to ensure that we are not only developing this country for the developers, we need to ensure that we are developing this country in order that it trickles down on to the Caymanians as well.

Thus the reason, Madam Speaker, we put the initiatives in such as the "Go East" initiative, to support Caymanians, to ensure that they share this economic miracle that we have had in this country for many years, and that is the mandate of this Government. That is the mandate that was given to it in May of 2005, and we will continue to do that. Madam Speaker, I can assure the country and the Opposition, and in particular the Leader of the Opposition, that we are well on the way to ensuring that these programmes are put in place and they are not going to be left behind.

I thank you very much, Madam Speaker.

The Speaker: Does any other Member wish to speak?

The Honourable Leader of Government Business and Minister responsible for Planning.

Hon. D. Kurt Tibbetts: Thank you very much, Madam Speaker, and I want to say a special thank you to my colleague, the Minister of Communications, who made sure that I was not losing my turn to speak by dealing with a television interview.

Madam Speaker, I just wish to add a few short points to what the Minister of Communications has said. I want to make sure that we have proper perspective. I think the Leader of the Opposition, first of all, was querying under the building permit fees whether duplexes should be excluded. The thought is fairly simple, Madam Speaker: 1 July 2006 saw the building permit fees and the infrastructure fees go back to what the fees were originally before there they were sliced in two as an incentive after the incident of 9/11 in 2001.

After five years and seeing the tremendous need, especially the Minister of Communications and Works, who has been dealing with the road programmes for Grand Cayman, there is simply a need to find funds to be able to try to catch up with the infrastructure work that has to be done. Buildings and construction are really what cause the need for more of this infrastructure, and by not having any direct taxation certainly they have to make a contribution, those who are involved in development.

So, in bringing the fees back, Madam Speaker, it is not, and I wish for it not to sound like how it is or has been said, and were I in the Opposition I would say the same thing but I am not so I have to make the statement be as it is. We have not increased by one hundred per cent. We have simply reverted back to what the original position was.

Hon. W. McKeeva Bush: It is still one hundred per cent.

Hon. D. Kurt Tibbetts: The duplexes, Madam Speaker, under the building permit fees, for infrastructure fees you do not begin to pay an infrastructure fee on a single-family home until it is over 4,000 square feet. Duplexes are also exempted under the infrastructure fees. However, you see, with the building permit fees there is a tiered rate which begins with houses exceeding 1,200 square feet, then there is another rate for a house exceeding 1,500 square feet, then 2,000 square feet, 2,500 square feet and so on and so forth. So, single-family homes attract a building permit fee.

Madam Speaker, it was not prudent of us to exclude a duplex when in most instances a single family home (not in all instances but in most instances) is for a family to live in and it is not really an income earner. In many instances, a duplex (either one side or both sides), earns an income. So when we look at the line of fees, to pluck a duplex out and say there is no charge for a duplex really does not follow logically with regards to the remainder of the fees and hence that is why that remains.

Madam Speaker, also I heard the First Elected Member for Cayman Brac and Little Cayman refer to the fees for Little Cayman. I have no idea, Madam Speaker, what transpired over the years, but it was only at a meeting a few short months ago over in Cayman Brac when we were going over these fees with the Development Control Board (DCB) and Planning staff over there—and the Director of Planning also accompanied me over there to have these series of meetings, and just in discussions we were assuming all of the time that fees were being collected for Little Cayman because there is no exemption for Little Cayman, but all of this time the fees had not been collected. That is a fact. Madam Speaker, by law, the fees should have been collected.

Again, there is a rationale why it is like that, Madam Speaker, the difference between Little Cay-

man and Cayman Brac. In many instances, in Little Cayman, as we all know there is not tremendous infrastructure there as what is in Cayman Brac, and in many instances the homes that are being built in Little Cayman are vacation homes both by locals and foreigners. The truth of the matter is, to try to keep up with infrastructure over there, those people who are developing (and there is also some commercial development there by way of condominiums or apartments) they should be paying. So it is not about penalising or anything like that, it is simply a matter of sitting down and thinking it through logically.

Now, as I said, I have no idea what transpired before, and I think it was just an assumption because the fees were not attracted in Cayman Brac and there was an exception for Cayman Brac, that it meant Little Cayman. That is the only conclusion I can come to. It certainly was not anything done deliberately. However, the fact is, Madam Speaker, that I have to take full responsibility and I say so on the floor of this House. Given the circumstances I was not about to change that law to add the exemption to Little Cayman also, so all that is happening is that what should have obtained with Little Cayman all the time before is going to be occurring from 1 July.

Madam Speaker, the summing-up thoughts with regards to these fees being brought back to what they were are simply a matter of timing. We all know that there is a tremendous amount of development taking place at this point in time, which again, is going to continually create the additional need for catch up on infrastructure and it is only fair, because we have no direct taxation, to ensure that those people—and many of them develop to earn money, that is why the system is tiered and not everybody pays the same fee, but it is only fair to expect those who develop to help to pay the additional costs for the needed infrastructure and that is what this is for

So, Madam Speaker, we have been as fair and equitable as we could find ourselves. There were some consultations with the Director of Planning and all Members of the Legislative Assembly with some of these issues here, and, Madam Speaker, certainly the Government takes the position that it is in full support of what the Honourable Third Official Member is bringing to the Legislative Assembly.

Thank you.

The Speaker: Does any other Member wish to speak? *[Pause]* Does any other Member wish to speak? If not, does the Honourable Third Official Member wish to exercise his right of reply?

Hon. W. McKeeva Bush: You never had no (inaudible) when you were small, or what?

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

Madam Speaker, I would like to start by thanking all Honourable Members for their contributions and

to say that I believe that certainly the contributions made by Honourable Members of the Opposition have been fairly well dealt with by the Minister of Communications and the Honourable Leader of Government Business. I should just like to reiterate, Madam Speaker, that the concessions the First Elected Member for Cayman Brac and Little Cayman spoke about, they were indeed renewed effective 1 July 2006 for a further year, to end on 30 June 2007. Just for the benefit of the listening public, Madam Speaker, those concessions on Cayman Brac involve a one hundred per cent duty waiver on building materials, one hundred per cent waiver on building materials, and a 75 per cent duty reduction on imported duty that would normally be attracted on gasoline imports, so a 75 per cent duty concession. Both of those classes have been extended for a further year to end on 30 June 2007.

Madam Speaker, I also say, just for the sake of clarity, that building permit fees in Little Cayman (and Little Cayman would fall within Area 'B') would be half of those that would fall within Area 'A' in Grand Cayman. So, as a way of illustration, for example, a house on Grand Cayman that exceeds 4,000 square feet would be subject to building permit fees of \$1.50 per square foot, whereas that same home in Little Cayman would be subjected to a building permit fee of \$0.75 per square foot. So the fees in Little Cayman are half of what would be faced on Area 'A' on Grand Cayman.

Madam Speaker, I think that adequately addresses the contributions made by Honourable Members, and I would simply thank them for their contributions and ask all Honourable Members to support Government Motion No. 4/06-07. Thank you, Madam Speaker.

The Speaker: The question is “**Be it therefore resolved that the draft Development and Planning (Amendment) Regulations, 2006 be approved by the Legislative Assembly in accordance with the provisions of section 42(3) of the Development and Planning Law (2005 Revision).**” All those in favour, please say Aye. Those against, No.

Ayes and Noes.

The Speaker: The Ayes have it.

Hon. V. Arden McLean: Madam Speaker, can we have a Division, please?

The Speaker: Madam Clerk.

[Laughter]

Hon. W. McKeeva Bush: What is that going to do for you?

[Inaudible interjections]

Hon. W. McKeeva Bush: Say what? For the Budget? The amount of money you all are borrowing, it is going take a long time to pay.

[Inaudible interjections]

Hon. W. McKeeva Bush: Maybe not! Maybe not! Maybe I will not be here, but you know what is going to happen to those who have been planning that for so long? They are gone! They are gone! You say (inaudible) planning. What are you going to do for (inaudible) you have to plan for yourself.

[Inaudible interjections]

Division No. 3/ 06-07

Ayes: 10

Hon. D. Kurt Tibbetts
Hon. Anthony S. Eden
Hon. V. Arden McLean
Hon. Charles E. Clifford
*Hon. Donovan W. F. Ebanks
Hon. G. Kenneth Jefferson
Ms. Lucille D. Seymour
Mr. W. Alfonso Wright
Mr. Osbourne V. Bodden
Mr. Moses I. Kirkconnell

Noes: 3

**Hon. W. McKeeva Bush
Captain A. Eugene Ebanks
Ms. Juliana Y. O'Connor-Connolly

***The Clerk:** Honourable George McCarthy? Honourable Samuel Bulgin . . .

The Speaker: You cannot record Mr. McCarthy because Mr. Ebanks is acting for him.

****Hon. W. McKeeva Bush:** For all those reasons stated, i.e., costs too high already in this country, I say No.

An Hon. Member: It is no or yes, man!

Hon. W. McKeeva Bush: You do not know anything about procedure.

[Inaudible interjections]

The Speaker: The results of the Division: 10 Ayes—

[Inaudible interjections]

The Speaker: Could I have a little bit of quietness so I can read out the results of the Division?

The results of the Division: 10 Ayes, 3 Noes. The Ayes have it. Government Motion No. 4/06-07 is duly passed.

Agreed by majority: Government Motion No. 4/06-07 passed.

ADJOURNMENT

The Speaker: That concludes the orders of the day. I will entertain a motion for the adjournment.

Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Madam Speaker, I beg to move the adjournment of this Honourable House until Monday, 31 July at 10 am.

The Speaker: The question is that this Honourable House do now adjourn until 10 am on Monday, 31 July. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. This Honourable House now stands adjourned until 10 am on Monday, 31 July..

At 12:02 pm the House stood adjourned until 10 am, 31 July 2006.

OFFICIAL HANSARD REPORT
MONDAY
31 JULY 2006
10:24 AM
Second 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 10.27 am

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

Welcome to CPA UK delegates

The Speaker: First of all, this morning I would like to welcome the delegates from the United Kingdom Branch of the CPA to the Chambers. We know that

the proceedings will not be those of the House of Commons, but we hope you will enjoy them. Welcome to the Chamber.

Apologies

The Speaker: I have received apologies for late arrival from the Second Elected Member for the district of Cayman Brac and Little Cayman. I have also received apologies for absence from the Second Elected Member for the district of West Bay and the Fourth Elected Member for the district of West Bay whose brother died suddenly over the weekend. I would like to record condolences on behalf of the Legislative Assembly to the family of the Fourth Elected Member for the district of West Bay.

**STATEMENTS BY HONOURABLE
MINISTERS/MEMBERS
OF THE CABINET**

Purchase of Sammy's Inn – New Home for Cayman Airways Ltd

The Speaker: I have received notices of statements by the Honourable Minister responsible for Tourism and the Honourable Minister responsible for Works, Communications and Infrastructure. At this time, I recognise the Honourable Minister responsible for Tourism.

Hon. Charles E. Clifford: Thank you, Madam Speaker.

Madam Speaker, I am pleased to announce that the Government has approved plans by the Board and Management of Cayman Airways to secure a new home for the airline. Following a review of many options, the purchase of Sammy's Airport Inn for the new headquarters of the National Flag Carrier was officially closed on 21 July 2006.

Madam Speaker, for the first time in many years Cayman Airways Ltd will own a building which is large enough to allow it to consolidate its operations. At present, the airline is leasing space at seven different locations. Even so, the airline is operating with insufficient space to properly and efficiently function.

Madam Speaker, the airline is currently preparing Requests For Proposals (RFPs) for architects and contractors who will bid for contracts to renovate the property to make way for the airline's departments. The building will be fit-out in two or three

phases with the first phase due to commence shortly. The target date for the completion of Phase I is December 2006 which will result in the initial transfer of some departments.

Madam Speaker, the acquisition of the property is a major milestone in the airline's development and represents further commitment by the Cayman Islands Government to the National Flag Carrier. The Government has agreed to capitalise the full purchase price of this project, US\$2.85 million, by providing an equity injection which will allow this asset to be reflected positively on the airline's balance sheet. Madam Speaker, the property's market value is estimated at US\$4.395 million. Consequently, this acquisition clearly represents good value for money.

Madam Speaker, I wish to advise that a building survey and evaluation has been conducted and has confirmed that the building is structurally sound. The report from the engineering company further confirms that the building is suitable for the proposed change of use to an office building for housing the headquarters of Cayman Airways Ltd. This move will not only result in cost savings by creating equity and increasing productivity and organisational efficiency, but will also provide Cayman Airways with adequate shelter in a very prominent location within the immediate vicinity of the Owen Roberts International Airport. Equally important, Madam Speaker, this move will also significantly improve access for patrons by ultimately providing a one-stop shop for business with the airline.

I wish to commend the Board of Directors, Management and the staff of Cayman Airways who have spearheaded this project which will significantly improve working conditions for the dedicated and hard working staff of the airline. In particular, I wish to note the invaluable contributions of Mr. Bobby Bodden, Ms. Angelyn Hernandez and Mr. Michael Adam.

Madam Speaker, this acquisition is in the best interest of Cayman Airways and its committed staff and it will be discussed and examined in more detail in Finance Committee in due course. I trust that the decision will be endorsed by all Honourable Members of this Legislative Assembly.

I thank you, Madam Speaker.

The Speaker: Honourable Leader of the Opposition.

Short Questions— Standing Order 30(2)

Hon. W. McKeeva Bush: Thank you, Madam Speaker. Under the Standing Orders—

The Speaker: Thirty sub Order (2).

Hon. W. McKeeva Bush: Thank you. I would like to ask a question. Thank you very much, Madam Speaker.

Madam Speaker, can I ask the Minister what sort of financial vehicle will be used for the purchase of Sammy's Airport Inn?

The Speaker: Honourable Minister responsible for Tourism.

Hon. Charles E. Clifford: Thank you, Madam Speaker.

Madam Speaker, as I indicated in the statement, it will be financed via an equity injection from the Cayman Islands Government.

The Speaker: Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: How does the Government, Madam Speaker, propose to do that?

The Speaker: Honourable Minister responsible for Tourism.

Hon. Charles E. Clifford: Madam Speaker, an equity injection is an equity injection, and as I indicated in the statement the matter will be examined in more detail during our deliberations in Finance Committee. Suffice it to say that the Cabinet has agreed to the purchase, the deal has been closed and when we get into Finance Committee we will certainly go into it in much more detail.

Progress of Extension to Esterley Tibbetts Highway

The Speaker: Honourable Minister responsible for Works, Communications and Infrastructure.

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

Madam Speaker, I would like to update the Members of this Honourable House and the people of these Islands on the progress of the extension to the Esterley Tibbetts Highway. Madam Speaker, progress has not been as fast as we had planned. There are a number of reasons for this delay.

Firstly, when the Government decided to accelerate the construction of this road we set a date of 30 June 2006 for it to be built to a standard to safely accommodate traffic. We recognised at that time that completion would take some 18 months. The objective was to have some utility infrastructure in place and a drivable surface of chip and spray until all the infrastructure was in place and then paving would commence.

Madam Speaker, the developers of the Ritz-Carlton project are obligated, by lease agreement, to build a portion of road that traverses that property. They were notified in January 2006 that the Government had taken a decision to accelerate the construction and at the same time given an anticipated drivable completion date. They too are delayed due to

changes they have made to the original bridge design. However, there are other factors, Madam Speaker, which are now delaying their completion also.

Madam Speaker, the country is currently experiencing a construction boom and everyone is competing for raw material. For instance, Madam Speaker, the Camana Bay Project is one of the largest undertakings this country has ever witnessed. The Governor's Square Project on West Bay Road, the Butterfield Office Complex and many other smaller projects coupled with the demands from the Government means that the limited supply of materials are in high demand resulting in delays. In addition to the limitation on raw materials produced locally, there is a worldwide shortage of cement which is essential for construction, in particular, the bridge through the Ritz-Carlton property and the underground utilities infrastructure that must be installed prior to allowing vehicular traffic on the road.

Madam Speaker, the construction of this extension over the past seven months has been faster than any other road construction ever conducted in this country. That is not to say that it could not have been done faster, but given the circumstances I believe that we are making the best progress that we can.

Madam Speaker, given the setbacks we have experienced, I am still hopeful that we will have traffic, albeit limited, on this highway prior to the opening of the new school year. I met with the developer of the Ritz-Carlton on Friday and he has assured me that the majority of the bridge material is on Island and the remainder will be flown in. As a matter of fact, some was flown in on Friday. The National Roads Authority's Managing Director has also given an undertaking that their portion will be ready for vehicular traffic within the month.

Madam Speaker, I would like to assure the residents of this country that this project will be completed. This Government set out to alleviate the traffic congestion and we are still committed to that objective.

Madam Speaker, in addition to the Esterley Tibbetts Highway extension we will shortly commence the construction of the first phase of the East/West arterial between the Savannah Newlands and Prospect area. The design and costing is almost completed and works will begin in due course. Madam Speaker, our people (that is mine and yours, Madam Speaker) from the eastern end of the Island will soon see relief also, as well as the people from Bodden Town.

[Inaudible interjections and laughter]

Mr. V. Arden McLean: Madam Speaker, despite the delays that we have experienced this project would not have progressed as far as it has had it not been for the tireless effort of the staff of the National Roads

Authority. I would like to take this opportunity to publicly thank them for their dedication and hard work. Madam Speaker, I would like to thank you for allowing me to make this statement at such short notice. I thank you.

GOVERNMENT BUSINESS

BILLS

FIRST READING

The Legal Practitioners (Amendment) Bill, 2006

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

SECOND READING

The Legal Practitioners (Amendment) Bill, 2006

The Speaker: I recognise the Honourable Second Official Member. I am sorry, I recognise the Honourable Third Official Member.

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

Madam Speaker, I beg to move the Second Reading of a Bill entitled The Legal Practitioners (Amendment) Bill, 2006.

The Speaker: The Motion has been duly moved and is open for debate. Does the Honourable Member wish to speak thereto?

Honourable Third Official Member.

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

Madam Speaker, the Memorandum of Objects and Reasons make it clear that the purpose of the Bill is to seek a change to the operational licence fees payable by law firms that employ six or more attorneys-at-law. The Bill itself, Madam Speaker, as Honourable Members will see, is exceedingly simple. It consists of two clauses: clause 1 would give the name of the intended Law and clause 2 would repeal the Fourth Schedule of the existing principal Law and replace that existing Fourth Schedule with an amended schedule.

Madam Speaker, the principal Law in this case is the Legal Practitioners Law (2003 Revision) and as I said briefly, the change to achieve what is desired by the Bill would involve repealing the Fourth Schedule and replacing it with a new schedule. Madam Speaker, the operational licence fee payable by law firms is a fee that is dependent upon the particular size of the firm. The proposed or intended Fourth Schedule to the principal Law would state that law firms employing one to five attorneys-at-law

would be exempt from paying an operational licence fee and that is exactly the present situation so there is no change in that particular category 1-5.

Madam Speaker, I should also say that the proposed fee structure in the Bill now before the House is exactly the same as that approved for accounting firms. Madam Speaker, the changes to operational licence fees payable by law firms are a part of the 2006/7 revenue measures package that was outlined in the 2006/7 Budget Address and the contributions that were also made on 28 April 2006. The operational licence fees are payable in January of each year, and so January 2007 would see the real impact of what is proposed in the Bill. Madam Speaker, I think this particular Bill is fairly well-known to all Honourable Members because the concept certainly, Madam Speaker, and the intention to increase the operational licence fees was previously articulated and is familiar to all Honourable Members. I believe that is sufficient contribution from me at the moment on the Bill, Madam Speaker, and I would ask, with respect, that all Honourable Members give it their support.

Thank you, Madam Speaker.

The Speaker: Does any other Member wish to speak? *[Pause]* 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 say to all Honourable Members a big thank you for their silent support. Thank you.

The Speaker: The question is that a Bill shortly entitled The Legal Practitioners (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 Legal Practitioners (Amendment) Bill, 2006 read a second time.

The Labour (Amendment) Bill, 2006

The Speaker: Am I recognising the Honourable Third Official Member, or am I recognising the Honourable Minister of Labour?

The Honourable Minister of Labour.

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

Madam Speaker, I beg to move the Second Reading of a Bill entitled A Bill for a Law to Amend the Labour Law (2001 Revision) to Vary the Composition of the Appeals Tribunal; and for Incidental and Connected Purposes.

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 Labour.

Hon. Alden M. McLaughlin, Jr.: Briefly, Madam Speaker.

Madam Speaker, section 77(1) of the Labour Law (2001 Revision) provides that the Appeals Tribunal shall consist of a chairman and four other members. Section 77(3) further provides that the Governor may appoint one of the four other members of the Appeals Tribunal to be Deputy Chairman who is entitled to perform all the functions of the Chairman in relation to the hearing of appeals on any occasion when the Chairman is unable to do so. In order for there to be a quorum, the Appeals Tribunal must sit with three persons.

Faced with an increasing number of cases, the Appeals Tribunal has in the past been operating with the Deputy Chairman regularly sitting as a Chair. This enabled twice as many cases to be scheduled and to be promptly reported on. However, the backlog of cases is now such that there is need to review the number of appointments to the Appeals Tribunal so that it can effectively perform its function. So, Madam Speaker, we have before this Honourable House today a Bill whose object is to increase the number of members that the Governor may appoint to the Appeals Tribunal from five, including the Chairman, to nine and to empower him to appoint two Deputy Chairmen. The effect of this change in composition would be to make it possible for the Appeals Tribunal to sit more frequently.

The Speaker: Does any other Member wish to speak? *[Pause]* If no other Member wishes to speak, does the Honourable Minister responsible for Labour wish to exercise his right of reply?

Honourable Minister.

Hon. Alden M. McLaughlin, Jr.: Just to thank Members, Madam Speaker, for their consent on approval of the proposal.

The Speaker: The question is that a Bill shortly entitled The Labour (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. The Labour (Amendment) Bill, 2006 has been given a second reading.

Agreed. The Labour (Amendment) Bill, 2006 read a second time.

The Speaker: The House will now go into Committee.

House in Committee at 10.48 am

COMMITTEE ON BILLS

The Public Service Management (Amendment) Bill 2006

Clauses 1 through 6

The Clerk:

- Clause 1 Short title and commencement
- Clause 2 Amendment of section 1 – short title and commencement
- Clause 3 Amendment of section 26 – procedure for appointing chief officers of ministries and portfolios
- Clause 4 Amendment of section 41 – procedures and requirements for appointment
- Clause 5 Amendment of section 54 – right of appeal to Civil Service Appeals Commission
- Clause 6 Insertion of section 59A – determination of appeals by Civil Service Appeals Commission

The Chairman: The question is that clauses 1 through 6 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 6 passed.

The Clerk: A Bill For A Law To Amend The Public Service Management Law, 2006 To Change The Commencement Date Of Provision Of That Law; To Allow For The Transfer Of Chief Officers By the Head Of The Civil Service; To Allow The Transfer Of Staff Members Of A Civil Service Entity By The Chief Officer of the Civil Service Entity Concerned; 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 Trusts (Amendment) Bill, 2006

Clauses 1 through 3

The Clerk:

- Clause 1 Short title
- Clause 2 Amendment of section 75 of the Trusts Law (2001 Revision) – certificate and registration fee
- Clause 3 Amendment of section 78 – annual fee

The Chairman: 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.

The Clerk: A Bill For A Law To Amend The Trusts Law (2001 Revision) In Order To Increase Fees; 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 Legal Practitioners (Amendment) Bill, 2006

Clauses 1 through 2

The Clerk:

- Clause 1 Short title
- Clause 2 Amendment of the Fourth Schedule of the Legal Practitioners Law (2003 Revision)

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 through 2 passed.

The Clerk: A Bill For A Law To Amend The Legal Practitioners Law (2003 Revision) In Order To Increase The Level Of Operational Licence Fees; And For Incidental And Connected Purposes.

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 Labour (Amendment) Bill, 2006

Clauses 1 through 2

The Clerk:

Clause 1	Short title
Clause 2	Amendment of the Labour Law (2001 Revision)-Establishment of Appeals Tribunal

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 through 2 passed.

The Clerk: A Bill For A Law To Amend The Labour Law (2001 Revision) To Vary The Composition Of the Appeals Tribunal; 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.

Agreed. Title Passed.

The Chairman: That concludes procedure in Committee. 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. The Bills will accordingly be reported to the House.

Agreed that the Bills be reported to the House.

The Chairman: The House will resume.

House resumed at 10.53 am

The Speaker: Please be seated. Proceedings are resumed.

REPORTS ON BILLS

The Public Service Management (Amendment) Bill, 2006

The Speaker: Honourable Third Official Member—sorry, Honourable Acting First Official Member.

Hon. Donovan W. F. Ebanks: Madam Speaker—

The Speaker: I am so used to the Third Official Member doing all the work!

[Laughter]

Hon. Donovan W. F. Ebanks: Thank you. Well, you will never see me with nothing to do.

[Laughter]

Hon. Donovan W. F. Ebanks: Madam Speaker, I beg to report that a Bill entitled The Public Service Management (Amendment) Bill, 2006 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.

The Trusts (Amendment) Bill, 2006

The Speaker: Honourable Third Official Member.

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

Madam Speaker, I am to report that a Bill entitled The Trusts (Amendment) Bill, 2006 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.

The Legal Practitioners (Amendment) Bill, 2006

The Speaker: Honourable Third Official Member.

Hon G. Kenneth Jefferson: Thank you, Madam Speaker. I am to report that a Bill entitled The Legal Practitioners (Amendment) Bill, 2006 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.

The Labour (Amendment) Bill, 2006

The Speaker: Honourable Minister responsible for Labour.

Hon. Alden M. McLaughlin, Jr.: Madam Speaker, I am to report that a Bill shortly entitled The Labour

(Amendment) Bill, 2006 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.

THIRD READINGS

The Public Service Management (Amendment) Bill, 2006

The Speaker: The Honourable Acting First Official Member.

Hon. Donovan W. F. Ebanks: Madam Speaker, I would like to move that a Bill entitled The Public Service Management (Amendment) Bill, 2006 be given a third reading and passed.

The Speaker: The question is that The Public Service Management (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 Public Service Management (Amendment) Bill, 2006 has been read a third time and passed.

Agreed. The Public Service Management (Amendment) Bill, 2006 given a third reading and passed.

The Trusts (Amendment) Bill, 2006

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Madam Speaker, I beg to move that a Bill entitled The Trusts (Amendment) Bill, 2006 be given a third reading and passed.

The Speaker: The question is that The Trusts (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 Trusts (Amendment) Bill, 2006 has been read a third time and is passed.

Agreed. The Trusts (Amendment) Bill, 2006 given a third reading and passed.

The Labour (Amendment) Bill, 2006

The Speaker: Honourable Minister responsible for Labour.

Hon. Alden M. McLaughlin, Jr.: Madam Speaker, I beg to move the Third Reading of a Bill shortly entitled The Labour (Amendment) Bill, 2006.

The Speaker: The question is that a Bill shortly entitled The Labour (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 Labour (Amendment) Bill, 2006 has been read a third time and is passed.

Agreed. The Labour (Amendment) Bill, 2006 given a third reading and passed.

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 the relevant Standing Order so that the Bill can be read a third time.

The Speaker: The question is that Standing Order 47 be suspended to enable the Legal Practitioners (Amendment) Bill, 2006 to be read a third time. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. Standing Order 47 is accordingly suspended.

Agreed. Standing Order 47 suspended to enable the Legal Practitioners (Amendment) Bill, 2006 to be read a third time.

The Legal Practitioners (Amendment) Bill, 2006

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Madam Speaker, I beg to move that a Bill entitled The Legal Practitioners (Amendment) Bill, 2006 be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled The Legal Practitioners (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 Legal Practitioners (Amendment) Bill, 2006 has been read a third time and is passed.

Agreed. The Legal Practitioners (Amendment) Bill, 2006 given a third reading and passed.

ADJOURNMENT

The Speaker: That concludes the orders of the day. 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, and in doing so, I would just crave your indulgence to explain quickly the course of events for the House at this time.

Madam Speaker, looking at the calendar for the Legislative Assembly meetings, the third meeting for the year is not scheduled until 6 November. There are some other items of business which we need to conclude, and after speaking with you between now and Thursday we will decide on how we should proceed. However, for the immediate, Madam Speaker, there is a Supplementary Appropriation Bill, which the Honourable Third Official Member needs to bring to the Legislative Assembly to table an agenda and have it referred to Finance Committee and then have the Supplementary Appropriation Bill approved. That is not coming to Cabinet until tomorrow, and certainly we would like the other Members of the Legislative Assembly who are not in Cabinet to have sight of it before we deal with it. So we would propose to adjourn today and then return to the House on Thursday morning with a view to getting the agenda out by Tuesday afternoon.

Madam Speaker, therefore, I beg for this Honourable House to be adjourned until Thursday morning at 10 am.

The Speaker: The question is that this Honourable House do now adjourn until 10 am on Thursday morning, 3 August. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. This Honourable House do now stands adjourned until Thursday morning at 10 am.

At 11 am the House stood adjourned until 10 am Thursday, 3 August 2006.

OFFICIAL HANSARD REPORT
THURSDAY
3 AUGUST 2006
10.54 AM
Third Sitting

The Speaker: I call on the Third Elected Member for the district of Bodden Town to say Prayers.

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 10.56 am

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

Apologies

The Speaker: I have received apologies for absence from the Honourable Minister responsible for Education, Training, Employment, Youth, Sports and Culture.

**PRESENTATION OF PAPERS
AND OF REPORTS**

Report of the Standing Business Committee – First Meeting of the 2006/07 Session of the Legislative Assembly

The Speaker: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, I beg to lay on the Table of this Honourable House the Report of the Standing Business Committee – First Meeting of the 2006/07 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 Report is self-explanatory. Thank you.

Supplementary Annual Plan and Estimates for the Government of the Cayman Islands for the Financial Year ending 30 June 2007

The Speaker: I recognise the Honourable Third Official Member.

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

Madam Speaker, I beg to lay on the Table of this Honourable House the Supplementary Annual Plan and Estimates for the Government of the Cayman Islands for the Financial Year ending 30 June 2007.

The Speaker: So ordered.

Does the Honourable Third Official Member wish to speak thereto?

Hon. G. Kenneth Jefferson: Thank you, Madam Speaker, just some brief remarks.

Madam Speaker, in accordance with Standing Order 67(1), the Supplementary Annual Plan and Estimates that have just been laid stand referred to Finance Committee. As the 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.

The Speaker: Honourable Third Official Member.

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

Section 6 of the Annual Plan and Estimates that have just been tabled contain two proposals for Supplementary Appropriations in respect of the 2006/7 financial year: One is for an equity investment to Cayman Airways Ltd for CI\$2,394,000; and the other is an Appropriation sought for a loan to be made by Government to a strata plan on Grand Cayman for an amount of up to CI\$320,000.

Madam Speaker, I beg to move, pursuant to Standing Order 67(2), that Finance Committee approves the Supplementary Appropriation proposals set out in section 6 of the Supplementary Annual Plan and Estimates for the Government of the Cayman Islands for the Financial Year ending 30 June 2007 that have just been tabled in the House.

Thank you.

The Speaker: The Supplementary Annual Plan and Estimates for the Government of the Cayman Islands for the Financial Year ending 30 June 2007 now stands referred to the Standing Finance Committee.

Proceedings will be suspended until the completion of the business of the Finance Committee.

Proceedings suspended at 11.00 am

Proceedings resumed at 2.11 pm

The Speaker: Proceedings are resumed. Please be seated.

STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF THE CABINET

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

PRESENTATION OF PAPERS AND OF REPORTS

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 2007

The Speaker: I recognise the Honourable Third Official Member, on the completion of the Standing Finance Committee's business, is now to lay the Report of the Finance Committee on the Table of the House.

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

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 2007.

The Speaker: So ordered.

Does the Honourable Member wish to speak thereto?

Hon. G. Kenneth Jefferson: Thank you, Madam Speaker, just some very brief remarks.

Madam Speaker, the Report that has just been tabled contains four main areas. Firstly, the Committee was referred to the Supplementary Annual Plan and Estimates from the Legislative Assembly by virtue of Standing Order 67(1). The Committee was also asked, Madam Speaker, to consider a motion that I raised in the Legislative Assembly, seeking the Committee's approval that two Supplementary Appropriation requests set out in section 6 of the Supplementary Annual Plan and Estimates stood referred to the Committee. The Committee deliberated on the two subject areas and concluded its deliberations by approving the Supplementary Appropriation requested in section 6 of the Supplementary Annual Plan and Estimates.

Madam Speaker, the Committee also agreed that this Report, just tabled, be the Report of the Standing Finance Committee to be laid on the Table of this House.

Thank you, Ma'am.

GOVERNMENT BUSINESS

BILLS

FIRST READING

The Supplementary Appropriation (July 2006 to June 2007) Bill, 2006

The Speaker: The Bill is deemed to have been read a first time and is set down for the Second Reading.

SECOND READING

The Supplementary Appropriation (July 2006 to June 2007) Bill, 2006

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Speaker. I beg to move the Second Reading of a Bill entitled The Supplementary Appropriation (July 2006 to June 2007) Bill, 2006.

The Speaker: The motion has been duly moved and is open for debate. Does the Honourable Member wish to speak thereto?

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

Madam Speaker, the purpose of this Bill is to seek the Legislative Assembly's approval for two items that are not included within the existing Appropriation Law for the Government's financial year that will end on 30 June 2007. In order to undertake these transactions, the approval of the Legislative Assembly is required, and that approval is being requested via this Appropriation Bill.

Madam Speaker, the two items for which the approval is sought are shown in the Schedule to the Bill. One of the items involves an equity investment of CI\$2,394,000 into Cayman Airways Ltd. The airline, Madam Speaker, has purchased, using its own financial resources, the property presently known as Sammy's Airport Inn located near Owen Roberts International Airport. This property will become the administrative headquarters for the airline, and at present, the airline leases a number of private sector accommodations in which to conduct its operations. The effect of the purchase of Sammy's Airport Inn property would be to cause those private sector leases to become unnecessary. Hence, on an ongoing basis there would be a cost savings made by the airline, and it is on this basis of cost savings that the Government agreed to support the airline in the purchase of Sammy's Airport Inn.

The property has changed ownership for US\$2.85 million, and the equivalent of US\$2.85 million is CI\$2,394,000 which is the equity investment sought and shown on the Schedule in the Bill. In summary, therefore, on this particular item, the Government agreed to support the airline because the transaction to purchase Sammy's Airport Inn made good financial sense.

The other item on the Schedule, Madam Speaker, is in respect of the Government making available a loan of up to CI\$320,000 to a strata plan on Grand Cayman to enable a wastewater treatment system to be installed. Madam Speaker, the Public Management and Finance Law obviously requires the Government to comply with responsible financial management principles; and as a result of doing these two particular transactions, if the approval of the Legislative Assembly is granted, there would remain compliance with those principles of responsible financial management.

Madam Speaker, I am also conscious that we have spent a few hours this morning in Finance Committee deliberating the subject matter of the Bill now before the House and, therefore, I do not believe that any more comments are required at this point because all Honourable Members are aware of the subject matter contained in the Bill, and I would ask all Honourable Members to give it their support.

Thank you.

The Speaker: Does any other Member wish to speak? *[Pause]* If no other Member wishes to speak, does the Honourable Member wish to exercise his right of reply?

Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Speaker, just to thank all Honourable Members for their support.

The Speaker: The question is that a Bill shortly entitled The Supplementary Appropriation (July 2006 to June 2007) Bill, 2006 be given a second reading. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. The Supplementary Appropriation (July 2006 to June 2007) Bill, 2006 has been given a second reading.

Agreed. The Supplementary Appropriation (July 2006 to June 2007) Bill, 2006 read a second time.

Suspension of Standing Order 47

The Speaker: I recognise the Honourable Leader of Government Business. Suspension of Standing Order 47.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker. I beg to move the suspension of Standing Order 47 in order to hear the Third Reading of the Bill.

The Speaker: The question is that Standing Order 47 be suspended in order to allow the Bill to be read a third time. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. Standing Order 47 is accordingly suspended.

Agreed. Standing Order 47 suspended to enable The Supplementary Appropriation (July 2006 to June 2007) Bill, 2006 to be read a third time.

THIRD READING

The Supplementary Appropriation (July 2006 to June 2007) Bill 2006

The Speaker: I recognise the Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Speaker. I beg to move that a Bill entitled The Supplementary Appropriation (July 2006 to June 2007) Bill, 2006 be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled The Supplementary Appropriation (July 2006 to June

2007) 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 Supplementary Appropriation (July 2006 to June 2007) Bill, 2006 has been read a third time and passed.

Agreed. The Supplementary Appropriation (July 2006 to June 2007) Bill, 2006 given a third reading and passed.

ADJOURNMENT

The Speaker: That concludes the Orders of the day. I will entertain a motion for the adjournment of this Honourable House.

Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Madam Speaker, again, just quickly to make sure that all Members are with full understanding that there is some other business to attend to this meeting. Unfortunately, either by way of not having received the 21 days' notice, or by some people being off the Island, we cannot complete it presently. After conferring with all parties, it has been agreed by Members that we will resume this meeting on 13 September. So, with your permission, Madam Speaker, I beg to move the adjournment of this Honourable House until Wednesday morning, 13 September at 10 am.

The Speaker: The question is that this Honourable House do now adjourn until 13 September at 10 am. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. This Honourable House do now stand adjourned until 13 September at 10 am.

At 2.20 pm the House stood adjourned until 10 am Wednesday 13 September 2006.

OFFICIAL HANSARD REPORT
WEDNESDAY
13 SEPT 2006
10.18 AM
Fourth Sitting

PRAYERS
[Not recorded]

**READINGS BY THE HONOURABLE
SPEAKER OF MESSAGES
AND ANNOUNCEMENTS**
[Not recorded]

Proceedings suspended at 10.21 am

Proceedings resumed at 11.55 am

**ADMINISTRATION OF OATH
OR AFFIRMATION**
[Not recorded]

**READINGS BY THE HONOURABLE
SPEAKER OF MESSAGES
AND ANNOUNCEMENTS**
[Not recorded]

**PRESENTATION OF PAPERS
AND OF REPORTS**

**The Immigration (Amendment) Bill, 2006—(Draft
discussion Bill)**

Document laid on the Table
[Not recorded]

Hon. D. Kurt Tibbetts: *[Hon. Minister's speech recorded from this point]* . . . 30-day consultation period in relation to this draft before the Bill is gazetted and ultimately debated in this honourable House.

Madam Speaker, early on in the review process several issues were identified as requiring urgent redress in advance of the comprehensive amendments contained in this Bill. These related to the composition of the three Immigration Boards, appeals in relation to term limits and the temporary creation of a new category of work permit known as a Fixed Term Work Permit for companies and businesses that were being detrimentally affected in the short term by the effect of the term-limit provisions. These provisions were given effect to by the Immigration (Amendment)

Law, 2006 and have since been incorporated into the Immigration Law (2006 Revision).

It was also recognised, Madam Speaker, that the Points System by which applicants for the grant of permanent residence are assessed was unfair and disadvantaged applicants who had lower incomes. The Points System has been revised to create a more level playing field for all persons seeking permanent residence in the Cayman Islands. In order to allow the Caymanian Status and Permanent Residency Board to proceed with the processing of the many outstanding applications for permanent residency, the revised Points System has already been approved by Cabinet and gazetted.

Madam Speaker, I also know that there will be some questions concerning the Immigration Regulations that will accompany this revised legislation. I want to take this opportunity to assure all Members of this House and indeed the public that the Regulations will be gazetted immediately following the enactment of the amending legislation.

Main Changes

I would like now to set out in some detail the main changes that are proposed in this Bill. I will begin with the controversial issues of work permits and term limits.

Work Permits and Term Limits

The policy of limitations on the length of time that a worker may remain in the Cayman Islands on a work permit remains a central feature of the revised legislation. The Government is fully cognisant that this is an issue that has engendered much debate and that there are strongly held views on the virtue or otherwise of this policy. I should point out however that it is a policy which has now been in place for almost three years that was implemented with the unanimous support of all Members of this Legislative Assembly in December of 2003, and that there was no public opposition to this at that time.

Further, I should remind this honourable House and indeed the listening public that the policy of term limits on work permits has had national support for almost ten years. It is consistent with strategy 16 of the National Strategic Plan: Vision 2008, which in that document proposed a minimum qualifying period of 15 years before a person should be eligible to apply for the grant of permanent residence, and a minimum period of 18 years for the grant of Caymanian Status.

Let me just pause, Madam Speaker, to interject, lest anyone listening, press or public, quote me as saying that the time periods I just said are what are contained in the proposed Bill, that I was simply quoting the Vision 2008 document.

The Third Interim Report of the Select Committee of the Legislative Assembly on the Immigration Law also, at that time, recommended a qualifying period of at least 15 years residence prior to a person becoming eligible to make application for permanent residence, and a period of 25 years prior to a person becoming eligible for the grant of Caymanian Status. Those two timelines I have quoted are, as I said, from the Vision 2008 document and the third interim report of the review of the Immigration Law.

It also recommended a policy of term limits in relation to work permits. We must not forget the comments made by the Foreign and Commonwealth Office officials during their visit to the Cayman Islands, expressing the view that our immigration dilemma stems from the lack of a policy regarding work permits.

However, more importantly, Madam Speaker, the term-limits policy on work permits is being retained because the Government, after the most careful consideration, has concluded that the choice for Cayman is stark. Either we retain a system designed to reduce the number of people who are able to stay here indefinitely and become part of the permanent population—with all the attendant rights and privileges that must go hand-in-hand with long-term tenure—or we concede that in ten years, or perhaps less, the control of the destiny of these three beloved Cayman Islands will be vested in persons who were not originally from the Cayman Islands. For this Government and, we believe, for the vast majority of Caymanians, the latter result is not only wholly undesirable but unacceptable.

Madam Speaker, having said all of that, the Government is very aware that there were serious problems with the operation of the current law; that is the Immigration Law, 2003. Thus, after much thought, much careful analysis and consideration, the Government is proposing a number of significant changes aimed at simplifying and improving the operation of the law and at making it more business friendly.

The Changes

It is proposed, Madam Speaker, that the length of time a person must leave the Islands following the expiry of their term limit before any further work permit can be approved in their favour be reduced from two years to one year. In deciding upon this length of absence, the Cabinet Committee gave very careful consideration to the concerns and representations made by various private sector industry partners, many of whom wanted the period to be lowered to six months. However, it was also important that we kept in focus the purpose for which term limits and this break in stay was required, namely to prevent

large numbers of persons having to be granted long-term security of tenure in accordance with the provisions of the European Convention on Nationality.

Whilst it was accepted that an absence of two years was unnecessarily excessive, an absence of six months was considered to be insufficient to constitute a break of stay in the context of the convention. A break of one year was therefore deemed appropriate and the wisest compromise that could be made.

The Immigration Law, 2003, was also insufficiently clear as to what sorts of absences could be considered a break in residence. This failure has now been addressed. Absences of six consecutive months or less (for the purposes of education, health, vacation or business) will not constitute a break in residence. The Bill also further defines the varying time periods away that would raise a presumption of or an actual break in residency.

Madam Speaker, it is also proposed that persons who are permitted to continue to work after the expiry of their final work permit on the basis that their application for permanent residency has not yet been determined will be required to pay a work permit fee and have their passport endorsed to reflect the change in their immigration status. Since employees can continue to work for quite some time on this basis, we consider that it is reasonable that employers should be required to continue to pay fees during that period.

The provisions contained in the law at present that enable a person who is married to another work permit holder, a government employee, or a person who is working by operation of law to apply for a work permit and thereby continue to remain here during the currency of their spouse's permission to remain is also being clarified. Further, the length of time accrued on this basis will not count towards the qualifying period for permanent residence.

Madam Speaker, the grounds upon which the Work Permit Board and the Business Staffing Plan Board may refuse or revoke a work permit are now clarified and expanded upon. For example, either Board would now be able to refuse an application for, or revoke an existing work permit where the worker has previously been convicted for working illegally.

Key Employee Status

The Bill also introduces a number of very important changes with respect to the exempted employee status. First, it is proposed that the term "exempted employee" be replaced with "key employee". It is hoped that this change will remove any misunderstanding that may exist that an exempted employee is exempt from the entire term limit provisions of the law.

Second, the law is to be amended to grant employers—and, Madam Speaker, this is extremely important as it does not obtain at present—the opportunity to apply for key employee status at any time before the expiration of the worker's final or fixed-term

work permit. At present, employers and employees are disadvantaged by being limited to seeking key employee status (or as the law is now worded, 'exempt status') at the time of applying for the grant or the renewal of a work permit.

So what will obtain, Madam Speaker, is that instead of having to wait until there is a first application for the grant of a work permit or the time for the renewal of a work permit, what will obtain on passage of the amending Bill is the ability, any time during that period, for the employer to make the application for key employee status.

Thirdly, the Bill creates a presumption in favour of work permit renewals for key employees, to enable the worker to be legally and ordinarily resident in the Islands for nine consecutive years, which will enable the person to apply for permanent residence. This presumption may be rebutted, however, in certain circumstances, including where a qualified Caymanian is available and desirous of filling the position.

The Bill also creates provision for the Governor-in-Cabinet to determine by way of policy directions to the Work Permit Board and the Business Staffing Plan Board that workers employed in certain professions or vocations or categories are to be designated as key employees.

Madam Speaker, straying from the text just for a minute, this statement is not meant to be construed as the fact that these designations of key employees by way of these categories give any individuals automatic key employee status.

Provisions in Relation to the Right to be Caymanian

Madam Speaker, I would like to turn now to the proposed changes in relation to the right to be Caymanian.

This Bill puts on statutory footing an existing practice whereby the Chief Immigration Officer formally acknowledges the right to be Caymanian by way of a written notification, together with an endorsement in passports of persons possessing that right. The Chief Immigration Officer will also be empowered to cancel such an endorsement and there will be a right of appeal in respect of his decision.

It is also proposed that persons seeking acknowledgement of the right to be Caymanian by entitlement must be resident in the Islands for a minimum period of one year before they can apply. However, this proposed change is accompanied by a provision that children under the age of 18 who have a Caymanian parent may enter, remain and attend school on the Islands pending the outcome of an application for acknowledgement of the right to be Caymanian.

The Bill also proposes changes in relation to the right to be Caymanian on the basis of marriage to a Caymanian. The existing section of the Law is to be re-drafted to clarify how the Caymanian Status & Permanent Residency Board is to take account of any

periods of time that the parties to the marriage may have spent apart.

Also, the existing section of the law is to be re-drafted to insert a provision for persons who are living apart generally, as opposed to those legally separated. This recognises that a couple may be living apart because the marriage has broken down irretrievably, although they may not have taken formal steps to dissolve the marriage.

Changes to Residency Categories

Madam Speaker, this Bill makes a number of changes with respect to categories of residency. First of all, it is proposed that a category of residence relating to persons who are entrepreneurs or investors simply be abolished.

It is also proposed that in future, persons seeking to reside here as 'wealthy retirees' will be known as 'persons of independent means'. The requirement in the Immigration Law 2003 that a person applying under this category must be at least 55 years of age is also being removed, as is the prohibition on such persons being accompanied by children under the age of 16.

It is envisaged that these changes will make this category more appealing to wealthy investors seeking to reside here. Persons who are granted residency in this category will not be allowed to work, and the right of their dependants to reside with them on the Islands will cease upon completion of the dependant's tertiary education, or upon the dependant reaching 24 years of age, whichever comes first. However, dependant children listed in the original application for the certificate will be permitted to apply for the grant of permanent residence in the same category as those persons who have resided on the Islands for at least eight years.

Madam Speaker, there is a correlation between the dependant reaching the age of 24 and the person of independent means having a dependant accompany them under the age of 16. What that does is guarantee that the dependant will be allowed to remain on the Island for eight years so that he or she will have an opportunity to be able to apply for permanent residence.

This Bill also amends the Law to allow persons who are eligible to apply for permanent residence on the basis of eight years residence to do so up to three months after they have ceased to be legally and ordinarily resident in the Islands. This builds in a measure of flexibility for this class of applicant and removes the present reality that there is technically only one day upon which they may make that application.

It is also proposed that the Law be amended to the effect that the Caymanian Status and Permanent Residency Board must approve an application for the grant of permanent residence where the applicant

has attained the prescribed minimum score under the points system.

Madam Speaker, we deliberated long and hard at this, but we came to the conclusion that it was the only fair way for the point system to truly work, and it would take away any possibility now or in the future of any personality differences coming into play when a Board had to make such a decision. So, once the person makes the application and achieves the required number of points, automatically that person will be granted permanent residence.

This Bill also corrects an omission from the 2003 Law in that the Caymanian Status and Permanent Residency Board did not have the power to vary or amend permanent residency status that was granted under previous immigration legislation. Provision is also to be made for the addition or removal of dependants from a person's permanent residency status.

Provisions Relating to Work Permits

Madam Speaker, with respect to work permits, it is proposed that the spouses of Caymanians be removed from the work permit system. This will result in a significant reduction in the number of work permit applications going before the Work Permit Board and will allow those applications that continue to be dealt with by the Work Permit Board to be processed in shorter time. In future, spouses of Caymanians who wish to work will be required to apply under the existing provisions for the grant of a Residency and Employment Rights Certificate. However, since such applications can take considerable time to be processed by the Caymanian Status and Permanent Residency Board, a new system is proposed where applicants will be able to apply directly to the Chief Immigration Officer who will have the power to grant an interim certificate for a period of six months while their application is being dealt with.

Business Staffing Plans

Madam Speaker, also this Bill makes several amendments with respect to business staffing plans. For companies already employing 15 or more work permit holders and which have been carrying on business for six months or more on or before 1 January 2004, it is proposed that the deadline for submission of the business staffing plan be extended to 31 December 2006. Madam Speaker, let me interject here . . . as I look at the timeline proposed here, by the time the 30 days are up, and we are able to come back to this honourable Legislative Assembly to seek safe passage of the amending Bill, we may have to look at extending that deadline seeing that 31 December is a short time away. But we will have the ability to do that before the Bill actually becomes law.

This Bill also imposes new time limits for the submission of business staffing plans by companies

who go above the 15 work permit holder limit at some point in the future. Furthermore, it is proposed that the law be amended to prohibit the Work Permit Board, the Business Staffing Plan Board or the Chief Immigration Officer from entertaining an application for a work permit or a temporary work permit for any company that is required to have a business staffing plan but has failed to comply with the requirement.

Madam Speaker, if this seems in any way harsh, it is because it is the only device that we could find to guarantee that those businesses which should be making an application for a business staffing plan to be approved by the relevant Board do so. It is the type of information that the relevant Board needs to have to be able to make sound decisions not only on grants and renewals of work permits, but, as importantly, for key employee status with employees of such companies.

The present legislation is also to be amended to grant the Business Staffing Plan Board the authority to vary or amend a business staffing plan. This will correct an omission from the present legislation which does not allow the Board the ability to do so.

With respect to temporary work permits, Madam Speaker, the Chief Immigration Officer or his designate will now have the power to vary or modify the terms of a temporary work permit. This again corrects an omission from the present legislation. The law is also to be amended to remove the ability of a worker to continue in employment during the period between the expiry of a temporary work permit and the outcome of an annual work permit application or any subsequent appeal. The law will thus revert to the pre-Ivan situation.

Proposals for New Offences and Penalties

As I indicated earlier, one of the key purposes of the review of the Immigration Law, 2003, was to enhance measures to combat immigration crime. To that effect a number of new offences have been created. For example, it will now be an offence to assist another person to land in or depart from the Cayman Islands in contravention of the law, and the court will, in certain cases, be empowered to order the forfeiture of any vehicle used or intended to be used in connection with that offence.

It will also be an offence where persons knowingly and for gain facilitate the arrival of an individual knowing or having reasonable cause to believe that the individual intends to apply for asylum in the Cayman Islands.

This Bill also proposes a new area of general offences including that of entering into a marriage of convenience. New provisions are also being introduced whereby an immigration officer above a certain rank will have the power to impose a fine up to a prescribed limit on an employer or worker for certain offences. Provisions for higher fines to be imposed by the court will be retained.

Tightening Arrangements for Entry and Landing

Madam Speaker, it is proposed that provision be created for dependants of Caymanians to be granted permission, upon application to the Chief Immigration Officer, to reside in the Islands for a renewable period of up to three years at a time. Under the present law there is no provision that allows dependants of Caymanians to reside in the Islands. This puts Caymanians at a disadvantage as compared to work permit holders and permanent residents who are allowed to be accompanied by dependants. The provision would also apply however to the parent, grandparent, brother or sister of the Caymanian.

New provisions are also proposed whereby persons who have no right to be in the Islands or who obtained permission to enter by deception can be removed from the Islands without the need for a deportation order, thus eliminating the need for the matter to be referred to Cabinet for a decision to be made.

Conclusion

Madam Speaker, the Government believes that the amendments contained in this Bill address both the needs of these Islands as a whole and take into account the concerns of the private sector to the greatest extent possible. We are keenly aware that many of the issues dealt with in this Bill are emotive and that many in these Islands have strongly held views (as I said before), particularly in relation to the issues of term limits on work permits. However, we believe that the proposed revised legislation protects Caymanians, provides clarity and certainty for employers and work permit holders, and promotes inward investment better than before. The legislation will also be much better equipped to tackle the growing scourge of immigration crime.

Given the importance of this legislation we consider it essential that the public have the opportunity to provide its input. I want to take this opportunity to urge the public to take advantage of the 30 day consultation period proposed, and assure all that all representation will be taken into account when the Bill is being prepared for presentation to this honourable House.

Madam Speaker, as we speak, there are copies of the Bill available here at the Legislative Assembly. There are also copies available at the front desk of the Government Administration Building, or the Glass House, as we know it. There is also the website where the draft Bill will be posted, and just to confirm, there will also be copies of the draft Bill available at the Immigration Department.

The webpage address of www.immigrationlaw.gov.ky can be used for comments and can also be used to access the draft Bill. Again, the webpage is www.immigrationlaw.gov.ky. Not only the draft Bill itself is there, but accompanying both the hard copies and the website are explanatory

notes which can make an easy understanding of the Bill itself.

I am reminded, and absolutely so, as soon as we are able to we will be sending copies up to the District Administration building in Cayman Brac.

So, Madam Speaker, having said that, in order to make the exercise as fruitful as possible, I again wish to urge all who have any interest to carefully look at the proposed Bill. Your comments are welcome whether they are in agreement or whether there are other points to be considered. We certainly do not claim perfection.

I take this opportunity to say a big thank you to the Chairperson of the 2005 Immigration Review Team, Mr. David Ritch, and his team. I want to single out the other Chairpersons of the other two Boards, Mrs. Sophia Harris and Mr. Anthony Scott. Certainly, I cannot leave out our best resource person, the Chief Immigration Officer, who has spent many hours. The Cabinet Secretary has been there from the beginning to the end. Even when we grew tired he was lending us toothpicks to keep our eyes open!

Again I say, we know that this is emotive in some areas and we have to strike the balance between protecting Caymanians and allowing all other activities to continue in an orderly fashion.

I am being reminded—Madam Speaker, that is why I was tempted not to call names . . . but, certainly I would not wish to forget my colleagues in Cabinet who spent many hours; and, from the Legislative Drafting Office, Mr. Miller, who is by and large responsible for the drafting of the Bill. I hope this is the final one—I was trying to place all the bodies in the room on so many evenings and nights, Mr. Christopher Eaton, who was taking very copious notes and also transmitting them over to the legislative draftsman.

Let us take these 30 days. The Government is quite willing and, I am certain, will engage in meeting representatives from the various organisations. However, for individuals especially, please take the time out to go over what is being proposed and use either the website to make your comments and, if you do not have access, you can make your comments on hard copy directly to the Cabinet Secretary.

Madam Speaker, I am reminded (and I will repeat because I might not have another opportunity) the website is a new website but it will be up and running during the course of the day, and it might well be as I speak, but certainly it will be up within a short period of time today.

I am also being asked about the possibility of distribution copies of the Bill to the district post offices. I want to say that as far as physically possible I will make those arrangements, but what I do not know at present is whether sufficient copies are printed today. Understanding the importance of it and to try to ensure that as many people who have a desire to access the Bill have that opportunity, I will undertake to pass on to the Honourable Acting Chief Secretary and

make the request that we have more printed and distributed to the district post offices.

Madam Speaker, I thank you very much for your kind indulgence. I do hope the beginning of this exercise in the legislative stage will continue to be fruitful and we will see safe passage of the Bill as tabled a short while ago as early as next month.

Thank you.

PRESENTATION OF PAPERS AND OF REPORTS

Predisposing Factors to Criminality in the Cayman Islands (Deferred)

The Speaker: I recognise the Second Official Member responsible for the Portfolio of Legal Administration.

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

With the leave of this honourable House, I seek permission to defer the laying of this Report until tomorrow, 14 September.

The Speaker: The question is that the Report on Predisposing Factors to Criminality in the Cayman Islands be deferred until tomorrow.

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

Ayes

The Speaker: The Ayes have it.

Agreed: Report on Predisposing Factors to Criminality in the Cayman Islands deferred.

STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF THE CABINET

The Speaker: I have received notification of a statement from the Honourable Minister responsible for Tourism.

Announced Closure of Divi Tiara – Cayman Brac

Hon. Charles E. Clifford: Thank you, Madam Speaker.

Madam Speaker, on Friday, 8 September, a representative from Divi Tiara Resort left a message at my office and the office of the Leader of Government Business to advise that the hotel would be closing. Since this sudden announcement just days ago, the Ministry of District Administration and Tourism, and Members for Cayman Brac and Little Cayman, Mrs. Juliana O'Connor-Connolly and Mr. Moses Kirk-

connell, as well as the Department of Tourism have been closely monitoring the situation.

I know there has been a great deal of speculation about this matter, and I would like to provide an update on the situation. This update will address in the order of importance the three key areas of concern, namely, staff welfare, preserving visitor satisfaction, and addressing misinformation, which exist.

Staff welfare has been the top priority. To that end, the Ministry of District Administration, working in tandem with the office of Employment Relations, is seeking to ensure that staff concerns are addressed.

The second priority has been to ensure guests' welfare. The Department of Tourism contacted the Divi Resorts yesterday (12 September) and was advised by Mr. Mark Steward, Vice President of Sales & Marketing, that some of the Divi Tiara guests impacted by the closure were re-accommodated by the Brac Reef Resort and at the Little Cayman Beach Resort.

The Department of Tourism is attempting to work with Divi's head office in order to communicate with the guests directly and reassure them of the Cayman Islands' hospitality and minimise the negative impression this sudden change to their travel plans might have to their overall impression of their vacation.

The Department of Tourism is also in the process of working with the primary dive wholesalers and travel agents who booked dive travel to Cayman Brac and Little Cayman, and Divi Tiara specifically, to help support the impacted guests and ensure that we do not lose this business to other destinations.

Finally, the Government would like to correct misinformation which has been disseminated by Divi Resort as to the reason for their hotel's closure. Divi has asserted that insufficient airlift played a large part in their decision to close. A review of airlift for the past five years confirms that the number of seats into Cayman Brac has significantly increased and is, in fact, higher than it has ever been available in the past.

Currently, Cayman Airways Express provides more than 2,950 air seats per month; a significant increase from the monthly average of 2,400 seats in 2004, and 1,800 seats in 2002 and 2003 when Island Air was the sole provider of commuter air service.

Of the 2,950 seats currently available, the average load factor is approximately 72 percent, leaving 820 available seats per month. CAL (Cayman Airways Limited) Express regularly adds section flights to accommodate groups to Cayman Brac and Little Cayman when the airline cannot accommodate groups on the regular schedule. These extra section flights are added at the normal fare rather than charging higher charter rates for the extra section.

Subject to the demand CAL Express has the capacity to provide up to 4,850 roundtrip seats per month to Cayman Brac and Little Cayman. It should be noted that the hotel room capacity has remained

relatively unchanged in the Brac market, but available air seats have steadily increased.

Also, Madam Speaker, CAL Express has contributed to the development of tourism in Cayman Brac and Little Cayman by adding seats at a reduced price. The current average fare of \$119 (which includes a fuel surcharge) has decreased from the average high in 2003, of \$156. The growth in the number of seats available focuses on the airlift provided by the computer service. It should be noted that Cayman Airways also augments its commuter airlift to the Brac with regular Boeing 737 jet service.

A significant point which has not been raised is the role that properties themselves play in ensuring that they remain competitive and succeed. In 2003, the Department of Tourism recommended, and the Hotel Licensing Board endorsed, the closure of the timeshare units in a portion of the Hotel because Divi was found unfit for tourist accommodation.

Although there were set standards and deadlines agreed, even in 2003 Divi Resorts never fully ensured that these standards were met. At that time the Department of Tourism was in communication with the president of Divi Resorts because the Government's concerns had escalated beyond the level that could have been addressed by the on-site property manager.

While some progress was made in 2003, in 2004, prior to Hurricane Ivan, the Department of Tourism noticed some deterioration of standards in the physical building. After Hurricane Ivan the property never regained the minimum standards despite ongoing efforts to work with them, that is immediately after the Hurricane.

While the property received a license in 2005, Divi Tiara was in grave danger of not being licensed this year. Divi may not fully disclose all, or even the real reasons behind the decision to close the Divi Tiara property; but one thing is clear: They have not maintained the necessary standards for competitiveness and, at times were found dangerously close to being unfit for occupation. This marked a lack of commitment to reinvesting in the property's refurbishment and upkeep. It is likely to have impacted the Divi Tiara guest satisfaction, repeat business and daily room rates.

The Government takes the issue of hotel licensing and accommodation standards very seriously, and this closure is an example of the inexplicable link between our tourism product, tourism marketing and tourism profits. Notwithstanding that, the Government is committed to continuing to work with the owners of Divi Tiara to agree on the way forward. It is expected that the Leader of Government Business will provide a further update on the situation by the end of the week.

Thank you, Madam Speaker.

The Speaker: Leader of the Opposition.

Hon. W. McKeeva Bush: Thank you, Madam Speaker. I have a question or two, and under the Standing Orders, I wonder if you will allow it.

[Inaudible interjection]

Hon. W. McKeeva Bush: She's the Speaker.

The Speaker: I am very glad that you gave them that interpretation of who is filling this seat.

Honourable Leader of the Opposition, you are rising under Standing Order 30 (2), Short Questions, but shall not bring anything controversial into those short questions.

Short Questions Standing Order 30(2)

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

I am wondering if the Minister can say whether or not the Department of Tourism did close down Divi.

The Speaker: Honourable Minister of Tourism, I think it is very clear in the statement that the Government did not close down Divi, but . . . Honourable Minister, if you are in a position to enlighten us any further . . .

Hon. Charles E. Clifford: Thank you.

Madam Speaker, you are, of course, correct. The Government did not close down Divi Tiara. We received messages, as I indicated in the statement, late on Friday afternoon after the staff had been advised of the closing. Efforts were made by my Ministry on Friday evening to contact the legal counsel who is located in North Carolina, and again yesterday morning. Those efforts were unsuccessful.

I understand that contact was made with Cayman Brac by the legal counsel. I believe it was some time this morning.

Certainly, the Government did not close down the hotel. We have been working very closely with the property as the Leader of the Opposition [did] when he was minister from back then, to assist them in making sure the property was upgraded and that we were able to obtain the necessary hotel licences. However, there was a period in 2003 that some of the timeshare units and a portion of the hotel, I believe, had to be closed because of the condition of the property. Consequently some work was done and I believe those units were subsequently reopened, but the Government certainly did not close Divi Tiara Beach Resort.

The Speaker: Honourable Leader of the Opposition.

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

Madam Speaker, if you would allow me, this is a hell blow to the people of the Brac. Knowing the kind

of economy on the Brac and knowing the people employed (some 30 or so, I guess, at Divi Tiara Beach Resort) are the very poor people I would request of the Government to consider getting the Social Services Department involved to assist them for a while, even a small amount of \$100 per week would be of great help.

I have raised it, Madam Speaker, and I ask them to consider it. They do not have to answer at this point because they would just, at this point, know what I am talking about. However—

The Speaker: Honourable Leader of the Opposition, I do understand what you have put forward, but I have only allowed for short questions for clarification. It is left to the Government of the direction that they care to go, and if the Minister of Tourism wishes to reply at this time or to accept, or refuse.

Honourable Minister of Tourism.

Hon. Charles E. Clifford: Thank you, Madam Speaker.

I certainly thank the Leader of the Opposition for his comment, but just to say as well and to remind him that in my comments in relation to this matter, I did say that the number one priority was looking after the welfare of those employees who have been displaced. So, there are a number of things that the Government is looking at, there are a number of ways that we are looking at to assist those individuals and we will give an update on that by the end of the week.

Thank you, Madam Speaker.

The Speaker: Honourable Leader of the Opposition, this will be the final question—

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

Will the Minister say that getting the Social Services Department involved will be a part of what the Government is planning to do?

The Speaker: Honourable Minister responsible for Tourism.

Hon. Charles E. Clifford: Madam Speaker, we will answer that question when we give the updates toward the end of the week, but all options are being considered. I understand that some of the staff members may have already been placed in other jobs, or are certainly very close to that point. So we will give an update towards the end of this week.

Thank you, Madam Speaker.

The Speaker: Proceedings will be suspended until 2.30.

Proceedings suspended at 12.56 pm

Proceedings resumed 2.38 pm

The Speaker: Please be seated. Proceedings are resumed.

GOVERNMENT BUSINESS

BILLS

FIRST READINGS

The Law Reform Commission (Amendment) Bill 2006

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

The Alternative Sentencing Bill, 2006

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

The Drug Court Bill, 2006

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, 2006

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

SECOND READINGS

The Law Reform Commission (Amendment) Bill 2006

The Speaker: I recognise the Honourable Second Official Member.

Hon. Samuel W. Bulgin: Thank you, Madam Speaker. I beg to move for a second reading for a Bill for a law to amend the Law Reform Commission Law 2005, and for incidental and connected purposes.

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. Thank you.

I rise to present to this House The Law Reform Commission (Amendment) Bill, 2006. This Bill seeks to make a number of minor amendments to the Law Reform Commission Law, 2005, in order to tidy up the provisions of the Law relating to the composition of the Commission, the appointment and replacement of commissioners, the election of a tempo-

rary chairman and the work of the office of the commission itself.

The Speaker: Honourable Second Official Member, is your microphone working?

Hon. Samuel W. Bulgin: It is, Madam Speaker.

The Speaker: Now it is! Thank you. I could not hear you.

Hon. Samuel W. Bulgin: Thank you.

Madam Speaker the Law Reform Commission was established on the 1 May, 2005, but work actually commenced on the 16 September, 2005, after the appointment of the Commissioners. The remit of the Commission as set out in the Law is to study and review the statutes and other laws comprising the Law of the Cayman Islands with a view to its development and reform.

As has been seen in the Annual Report of the Commission, which was tabled in May 2006, the Law Reform Programme is a very wide one. The Commission is, among other things, reviewing the Law of The Landlord and Tenant; The Legal Practitioners Law; The Legal Aid Law; The Children's Law, as well as dealing with Law as it relates to anti-corruption.

Unfortunately, Madam Speaker, there have been a few impediments to the flow of the work of the Commission and this included the resignation of the former chairman in April of 2006.

Mr. Nigel Clifford, QC, was Chairman of the Commission at his inception and resigned earlier this year. He has relocated, I think, to the U.K. (United Kingdom). That left a vacancy for a chairman as well as a vacancy for a commissioner. Because of his resignation and the vacancy, the Law Reform Commission was unable to function or to meet as regularly as it would have liked to, and so understandably the Commission has not been able to proceed at the pace at which it anticipated that it would have been doing up to this stage.

One of the objects of the amending Bill, Madam Speaker, is to ensure that in future if a member of the Commission resigns suddenly or otherwise vacates his membership of the Commission, the work of the Commission itself will not be civilly impacted by such development.

Accordingly, clause 4 of the Bill amends section 5 of the Law to provide that if the chairman is unable to act, resigns, or otherwise vacates his office before the expiry of the term for which he has been appointed, another member of the commission may be appointed by the Attorney General to act temporarily as chairman until the Governor in Cabinet appoints a substantive replacement for the chairman.

Further, Madam Speaker, clause 5 seeks to amend section 9 of the Law to provide, among other things, that where a chairman is absent the members at the meeting may chose one among themselves to

preside as chairman. As previously indicated, the legislative programme of the Law Reform Commission is very wide and since the Annual Report has been laid other projects have been referred to the Commission. These include the review of the Strata Titles Registration Law; the Arbitration Law and the preparation of the Charities Law, among others.

The work of the Commission also extends in the social field and the Commission will be looking into the creation of family court as well as the reform of the Affiliation Law, and the Maintenance Law.

Madam Speaker, it is because of such diverse topics that the Government feels that a wider representation of interest is required on the Commission. The Commission is currently composed of five members who are all attorneys, and the Government intends to look further for representation of other professions. The Bill therefore seeks to increase the number of members and provides for the appointment of not less than five in doing so.

Further, Madam Speaker, in clause 3 (b) it is provided that for a person to become a commissioner it shall be a person who, in the opinion of the Governor, is by reason of his special qualification, training or experience considered suitable for appointment to the Commission.

One of the significant amendments contained in the Bill before this House is the amendment relating to the role of the secretariat of the Commission itself, and the head of that secretariat. Madam Speaker, the secretariat is in fact the Legal Department, part of the Portfolio of Legal Affairs, and is headed by senior legislative counsel and attorney at law, Ms. Cheryl Ann Neblett, formerly of the Legislative Drafting Department. The department itself is responsible not only for the administrative work of the Law Reform Commission, but for the conduct of legal research, the preparation of reports, and consultation documents and the drafting of legislation among other things.

This Bill, Madam Speaker, therefore seeks to make this very clear by changing the title of the head of the department from Law Reform Administrator to Law Reform Legal Director, and by expressly setting out the duties and functions of the department in the law itself where it was not previously provided. The Bill also comprises other miscellaneous amendments relating to procedures to be followed by the Commission whenever it meets.

So, as I mentioned, the Bill itself is relatively short and sort of self explanatory. Having outlined the main provisions I now commend the Bill to Members of this honourable House and seek their support in this passage.

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?

The Honourable Second Official Member.

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

It only falls for me to thank all honourable Members for their support of the Bill to amend the Law Reform Commission Law. Thank you.

The Speaker: The question is that a Bill shortly entitled The Law Reform Commission (Amendment) Bill, 2006, be given a second reading. Those in favour please say Aye, those against, No.

Ayes.

Agreed: The Law Reform Commission (Amendment) Bill, 2006, given a second reading and passed.

The Alternative Sentencing Bill 2006

The Speaker: Honourable Second Official Member.

Hon. Samuel W. Bulgin: Madam Speaker, I beg to move the Second Reading of a Bill for a Law to reform the law relating to the powers of the courts to deal with offenders and defaulters, and to the treatment of such persons to give effect to recommendations of the advisory committee on sentencing, and for incidental and connected purposes.

Thank you.

The Speaker: The Motion has been duly moved and is open for debate. Does the Honourable Member wish to speak thereto?

Honourable Second Official Member.

Hon. Samuel W. Bulgin: Thank you, Madam Speaker. I do!

I rise to present to this House a Bill entitled The Alternative Sentencing Bill, 2006. I will attempt in presenting this Bill to put this in perspective for the benefit of honourable Members of this House as well as for members of the public in general.

Honourable Members of this House will recall that in October of last year, in direct response to the upsurge of violent crimes then, the Government enacted a raft of crime fighting legislation. These include an amendment to the Firearms Law to provide a minimum mandatory sentence of ten years for certain firearm offenses, as well as an amendment to the Penal Code to outlaw the possession of certain weapons or implements in certain places, for example, cinemas and other places of entertainment.

Madam Speaker, we also piloted an amendment to the Prison Law to ensure that persons incarcerated for violent offenses should remain in prison sufficiently long enough so that their punishment is commensurate with the gravity of their transgressions.

Finally, Madam Speaker, there was an amendment to the Bail Law to make it more difficult

for certain offenders to be granted bail when certain serious crimes were committed.

Madam Speaker, all of us in Government, and indeed in this House, recognise that there are a number of reasons why people get involved in deviant or anti-social behaviour. We also recognise that it is incumbent on Government to ensure that persons who are involved in criminal activities are not simply convicted and warehoused somewhere at Northward without any hope.

It is recognised that as a society we have a duty to try and salvage every single individual involved in criminal activities who can be salvaged. We must assist them where possible to have another opportunity to make something good, not just for themselves but also for their families. In other words, Madam Speaker, we must assist them where possible on the road to rehabilitation. Indeed, we are all aware that conversion on the road to Damascus is not unique to the Apostle Paul; so the desire is to try and convert those who can be converted.

Madam Speaker, the benefits to be derived from this approach are enormous; both the state and the individual can benefit from what is being proposed. From the country's standpoint there are enormous things that will eventually be realised. We heard about the figure of approximately C\$53,000 per annum to keep one person incarcerated in Northward. We also heard of the need to erect the maximum security wing of Northward, and we have heard of all the other attendant costs of keeping persons locked up in prison.

We heard also of the problems of overcrowding as it relates to Northward Prison, Madam Speaker. It is therefore our hope, indeed we are confident, that the alternative sentencing initiatives will result in significant reduction in the prison population.

Madam Speaker, it is Government's considered view that we can significantly reduce the burden in a general way with a different and a more enlightened approach to sentencing and, indeed, with how we deal with some of our offenders. The Government is firmly of the opinion that this enlightened approach to sentencing will, over a period of time, have the dual effect of the eventual reduction in the Government's recurrent expenditure while, at the same time, helping offenders by providing them with an opportunity to lead a productive life.

From the offender's standpoint, Madam Speaker, this different approach to sentencing would allow the offender to pay his dues to society for his offenses whilst at the same time provide for his family and continue to be a part of the established family structure in helping to keep his family unit together. So there will be a reduction in the break of the offender's family. Indeed, maintaining family ties has been shown to be a very important factor in preventing re-offending.

Additionally, Madam Speaker, it will allow offenders through community service orders to make

reparation to the community for their crime rather than imposing a net cost of being accommodated and fed in prison.

The approach being proposed in the Bill also has the effect of preventing offenders from associating with each other in prison where they may share expertise, and minor offenders may be influenced to eventually commit more serious crimes. Madam Speaker, it will also help in reducing the pressure in prison places, which will allow more space and resources to focus on rehabilitation of the remaining persons incarcerated.

The new approach of which we speak has its genesis in the excellent work of the Honourable Chief Justice and the Sentencing Advisory Committee. For the last six years or more the Chief Justice and a small group of persons from the Attorney General's chambers (social and probation services and, in more recent times, the portfolio of the Honourable Chief Secretary) have worked tirelessly to bring about changes in the sentencing culture of our courts. If I may say so, Madam Speaker, on behalf of the Government I wish to publicly applaud the efforts of the sentencing committee in this regard.

Madam Speaker, during the period when the Cayman Islands was pursuing these initiatives the Foreign and Commonwealth Office also quite helpfully commissioned a wider study on the alternative sentencing option throughout the Overseas Territories. The person who conducted that study was Mr. Charles Eakin who eventually produced a very helpful report for the Foreign and Commonwealth Office. However, by the time Mr. Eakin arrived, the Cayman Islands was well on its way to looking at reforming our sentencing options. Notwithstanding that, some of the helpful recommendations and observations that were contained in the Eakin Report have now been reflected in the Bill currently before this House, Madam Speaker.

Madam Speaker, in effect what we are embarking on here today is a combination of a convergence of initiatives being pursued by Government to improve the criminal justice system. These initiatives also include how we deal with our offenders including, of course, our young offenders. It is important for me to point out that the initiatives also include an element of sentence planning, as well as other reforms being pursued by the portfolio of the Honourable Chief Secretary as well as the Honourable Minister of Health and Human Services. It also involves input from the Royal Cayman Islands Police as well as other government agencies. In other words, Madam Speaker, if I may say so, it is a grand partnership.

This House will hear later on of another set of initiatives by way of a companion piece of legislation in the form of a Drug Rehabilitation Court Bill, which will seek to widen the options available to all courts in dealing with persons who have been identified as having drug abuse problems.

Madam, Speaker, speaking of partnership, later this week I will be tabling in this House a report which sets out the findings and recommendations of a crime study on empirical study of crime in the Cayman Islands. The study itself was commissioned by the Government and was conducted by well known Barbadian criminologist, Ms. Yolanda Forde. In that presentation I will attempt to detail for this House some of the main findings and recommendations contained in the report.

However, what this initiative clearly demonstrates, Madam Speaker, is that the Government is taking an informed and holistic approach to addressing crime and the causes of crime in this country. Accordingly, the initiatives contained in the instant Bill, combined with the eventual implementation of the recommendation of the crime report, will only serve to further consolidate Government's multidimensional multifactorial approach to these social issues with which we have to grapple as decision makers.

Madam Speaker, I mentioned earlier in my presentation, this is a partnership. I wish to emphasise that this partnership is even of greater significance because of the necessity for what I might describe as synergy. In order for these initiatives to be successful they have to involve and enjoy the confidence of the entire public. It has to involve all printed and electronic media; it has to involve our NGO's; all our social institutions as well as others.

One may wonder why this is so important to have all these hands on deck. Well, simply put, Madam Speaker, for these alternative sentences to be effective they have to gain the confidence of the public.

There is a general perception worldwide that community oriented penalties are not real punishment. It is therefore incumbent on Government to take the lead in educating the public about the benefit of such sentences. The public, Madam Speaker, has to be persuaded that they are meaningful and that it is not a means of letting off offenders with a slap on the wrist. The public will have to be persuaded that the Government has not gone soft on criminals. Indeed, I think if the public is given the right information and persuaded that it is being enforced, they will eventually appreciate the initiatives that are being pursued. I am certainly confident, and so are all Members of this House I am sure, that the public of the Cayman Islands will embrace these initiatives.

Madam Speaker, let me move quickly to assure members of the public that it is not all convicted persons that will qualify for these new sentencing initiatives. Indeed, before any convicted persons can attract any of these options they will have to undergo what is known as a risk assessment in order to ensure that they are suitable for a sentence other than a large fine or a period of imprisonment. Accordingly, Madam Speaker, violent offenders and others who have exhibited a particular propensity or certain antisocial tendencies, will not qualify for alternative sentencing.

The public will still have to be protected from such persons.

In addition, Madam Speaker, I wish to assure all honourable Members of this House and, indeed, the general public, that there are adequate safeguards in the Bill to address the issue of noncompliance. Honourable Members may wish to have a look, for example, at clause 22 of the Bill which speaks to some of these safeguards.

Madam Speaker, alternative sentencing is not available to persons who have committed category A offenses; it is only for persons who are involved with less offenses and some of what we call the hide-away offenses. It will not be applicable to persons convicted of drug trafficking; it will not be applicable to people who have committed rape; it will not be applicable to persons who are involved in gun crimes and persons of similar disposition. I think I should make that quite clear, Madam Speaker. Certainly, it will not be available to persons who are charged and convicted for murder. It will only be available to persons who are convicted for lesser offenses. I just want to make the public be quite aware of this.

When the Bill is enacted it will provide the court of these Islands with a wide range of sentencing options for persons who are convicted of certain offenses, as I said. While we are speaking, Madam Speaker, these options in the Bill are those, such as, curfews and monitoring of the offender's movements with the assistance of electronic devices in order to ensure compliance with the curfew. The Bill also has a provision for intermittent sentences; conditional sentences and suspended sentence supervision orders, which will allow offenders to spend part or all of the period of their sentence within the community itself.

There is also a provision for exclusion orders, which will require an offender to stay away from certain public places or other places at certain times. Such orders, Madam Speaker, aim at offenders who present a particular danger or a nuisance to a particular victim or victims, or who need to be protected from themselves; that is, persons who may want to visit crack houses or other places of ill repute.

The Bill also makes provision for what we call restitution centres, which are special centres of incarceration where prisoners are allowed to work and use their term of imprisonment earning money for the purpose of compensating their victims of crime. Of course, Madam Speaker, there are also community orders for repeat petty offenders. Instead of imposing a fine on such persons, where the court is of the opinion that he will not be able to pay his fine or fines, the court would instead consider imposing a curfew order or a community service order, and sentence of similar nature.

Finally in this regard, Madam Speaker, I wish to mention also what is called 'victim impact statement'. The victim impact statement is, when the person is convicted, for the purpose of determining the sentence to be imposed on the offender. The court

may, in addition to any other matter, consider any statement made by the victim or by the prosecution on behalf of the victim describing, for example, any harm done to, or loss suffered by, the victim arising from the commission of the offense. Having listened to the victim impact statement the court will make a determination as to the appropriate sentence to be imposed.

Madam Speaker, may I mention here that there are some members of the Human Rights Committee who had some concerns about this particular issue and were of the view that the victim impact statement should be provided to the accused person from the very beginning? I understand the concerns of the Human Rights Committee, but we need to bear in mind that this aspect of the proceedings will only come about if the accused person is convicted. Therefore, it would be inappropriate for defence counsel, certainly in my view, and the views of Members of the Cabinet . . . it would be inappropriate for an accused person to be armed with a potential victim impact statement from the very beginning and to use that to cross examine a victim, to further traumatise that person, without anyone knowing whether the defendant is going to ever eventually be convicted. I think it would be too much of a trauma to the victim.

However, what will happen is that once a person is convicted, and the victim impact statement is going to be relied on, the accused person, or the defendant, or the convicted person in that regard, would be given permission with leave of the court to conduct cross examination based on the information contained in the victim impact statement. So, we are quite aware and quite sensitive to the concerns of the Human Rights Committee, but we think that the provision in the Bill, when it becomes Law, will adequately address the concerns of the Human Rights Committee and will quite properly safeguard the rights of any accused persons, as well as the rights of the victims in this regard.

Another order that the court will be able to make when this Bill becomes Law is an exclusion order, whereby a person can be prohibited from entering a particular place or premises. Members may want to look at clause 11 in this regard. This order will also stipulate where the offender shall reside. Again, Madam Speaker, if there is a breach of this order, the court is empowered to revoke it and/or impose a fine, or to send the person directly to prison.

Of significance, perhaps to his House, I would like to point out clause 23, which speaks to the action of restitution and restitution centres. When this Bill is passed, the courts will now be able to order convicted persons to do one of the following: Make an order that the accused person compensate the victim for the property damage by the offender; it will also be able to make an order that the victim be compensated for bodily harm or injuries, or the loss of income or other support. These are, quite understandably Madam Speaker, groundbreaking in respect of the Cayman Islands, but in most instances it will avoid a victim who

has been injured having to then resort to the civil court to get compensated where the offender has been convicted.

Returning to the issue of enforcement and instances of possible noncompliance: a more detailed look at the Bill itself will show that it provides a number of features. These include, for example, provision for curfew orders, set out in clause 5 of the Bill. When enacted, the Bill as law will enable the court to make an order requiring, for example, for a person to remain for a specified period at a specified location. This restriction may be monitored by an electronic monitoring device to track the person's whereabouts. For example, where a person breaks his curfew the courts can revoke that order and instead impose a fine or a period of imprisonment as stipulated in clause 7 of the Bill.

These tracking devices that I mentioned a short while ago are very effective. In May of this year, a number of us traveled to California in the United States to view firsthand the operation of these electronic monitoring devices. We went to a particular company that manufactures and also installs and monitors them. The plan here is that our 911 agency will be the lead agency working together with the police, the court and the probation department to install and monitor this equipment. Understandably, 911 will therefore have to have some of their personnel trained by whichever company is selected to provide the equipment.

For the benefit of the listening public and Members of this honourable House, the equipment used for electronic monitoring is tried and tested. It is relatively simple. I can say that a number of countries have used it over the past ten years. It has shown to be an effective and humane form of detention which does not violate the subject's rights. The scheme, when implemented, is intended for low risk offenders, that is, only offenders selected by the courts will be monitored electronically and their suitability for this form of detention will be assessed by the court based on advice from the police, probation and other social services agencies. Before a person is selected there will be a risk assessment done to determine suitability.

The two main pieces of equipment that will be used to monitor the offender's movement are a tag and a monitoring unit. For the benefits of Members, this is what a tag looks like. It is a simple device that fits around the ankle of the offender.

The tag is a plastic device shaped like a wristwatch but worn around the ankle. It is very strong, compact and reasonably comfortable in all the circumstances. It is waterproof and safe up to a depth of about 15 feet. The monitoring unit itself is a small box, like a telephone set base. That is placed in the offender's home or place of work, or wherever the court chooses that it should be positioned. Once it has been placed on the subject, the tag itself emits a radio signal that is picked up by the monitoring unit and the monitoring unit transmits all data from the tag via a

dedicated telephone to the monitoring centre at 911. At 911 there will be dedicated personnel or monitoring agents who are specially trained to monitor the subjects wearing these devices.

The public, and certainly Members of this House, would like to know that if a subject tries to move outside of the designated geographical limit set by the court the monitoring unit will signal an alarm at 911. For example, the court has set a home curfew of, say, 7.00 pm to 7.00 am. If the subject steps out of the bounds of his house during this time, probably walks outside to put the garbage out or something, but steps outside of the range that has been set, a signal will be sent to the monitoring station that there is a violation or a breach.

Similarly, if the person wearing this tag attempts to cut or tamper with it, or in any way remove it, a similar signal will be sent to the monitoring station and will be recorded and dealt with. Once the signal has been sent to 911, someone will be dispatched to the particular location where the offender is supposed to be located. They will make a check and provide a written report. Depending on the extent of the breach, a determination will be made whether the person should be taken back to court for the sentence to be varied or changed in any way so that the offender can be dealt with. It is a very effective system.

I must point out at this stage also (speaking about tampering), that I have served notice to this honourable House of some proposed committee stage amendments. One of those amendments (if this Bill becomes Law) makes it an offence for a person to damage or otherwise tamper with the tag. In addition to being probably recalled and sent to prison for breaching curfew, the offender will also face separate penalties for tampering or damaging the tag.

An additional monitoring feature that may be used is called "voice verification." Voices, like fingerprints, have a unique character or voiceprint. If an offender is ordered by the court to be at a particular place at a particular time, his presence can be verified by a system of voice verification. If the court orders that he undergo drug counseling on Tuesdays and Thursdays, his presence there can be confirmed by calling the monitoring center at a specified time.

If he is supposed to go to work, for example, or to be involved, say, in community service, the monitoring centre can verify his compliance automatically by generating random calls to these locations just to confirm that he is, in fact, there.

All in all, Madam Speaker and Honourable Members, the electronic monitoring provides a structured lifestyle for the offender which supports other features of the alternative sentence. Such features include, for example, community service. For the benefit of this House and the public I wish to point out that the electronic monitoring costs a fraction of what it costs to have someone incarcerated at Northward.

The Speaker: Honourable Second Official Member, would you like us to take a suspension at this time? Are you comfortable with your throat?

Hon. Samuel W. Bulgin: I think I am almost through, Madam Speaker. Thank you.

May I just point out the cost effectiveness of the device? In fact, we have seen comparisons that state that three months of electronically monitored curfew is nearly five times cheaper than three months in custody. In fact, UK statistics show that on average it costs £1,300 to monitor an offender being released from prison on home detention curfew for 90 days, compared to £6,500 for the same period in custody.

As I mentioned also, one other added benefit is that it allows an offender to live nearly as possible a normal life while at the same time ensuring compliance with any sentence imposed by the court.

At the appropriate stage it is hoped to amend the Prison Law to make provisions for persons who are given sentences of, say, 12 months or less (minor offenders) to allow such persons who may, for example, be given a 12 month sentence and required to serve the first 6 or 9 months in prison and then remain 3 months or 6 months out of prison whilst being monitored. It will help to integrate the person back into the community whilst at the same time serving a sentence provided he can be monitored and is prepared to comply with the condition imposed by the court in those circumstances.

Finally, before the Bill came to this House it was the subject of extensive consultation. We have had suggestions from numerous agencies including the probation department, the police, human rights committees, social services and so on. Some of these suggestions were accepted and some, understandably, were not acceptable and are not reflected in the Bill. Suffice it to say that we are eternally grateful to all who took the time out to read and comment on the Bill.

I therefore finally wish to thank the Legislative Drafting Department, as well as Dr. Pedley from the Portfolio of the Honourable Chief Secretary, as well as others who have been involved in this initiative for assisting us in getting this far.

Madam Speaker, it is a new and enlightened approach, but one that I would certainly commend not just to this House but to members of the public. I am sure that in a relatively reasonable period members of the community will see the benefit of this new approach to sentencing.

The only caveat I would like to add is that this is really not a panacea to our current problem; it is really just another tool in the toolbox. The alternative sentencing approach in itself will not necessarily solve all of our problems as it relates to crime and the criminal justice system. However, we are confident that with this initiative, when taken together with all others, we will see a sort of revolutionary approach in how this country deals with some of our offenders.

Thank you.

The Speaker: 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 rise to give a brief contribution to an idea of alternative sentencing and in particular, the innovative approach of electronic monitoring.

For a long time we have said in this country that we are forming criminals and we have a revolving door at Northward, and all the other clichés. To some extent, I guess up until now it is true that we are sending especially our young men in society to prison. Instead of really being reformed they are merely in and out over an extended period of their lives and we are effectively losing their contribution to our society.

This idea of electronic monitoring is something that has been going on in developed countries now for some time. The UK and the US in particular have used it to good effect. As we all know, we have an overcrowded prison at the moment; and we all remember what overcrowding did in 1999 when we had the prison riot. We had an overcrowded prison there as well. That stretches our resources to the limit and anything we can do to soften that will be most helpful.

As the Honourable Second Official Member mentioned in his contribution, electronic monitoring is available for a number of persons: those on bail, those being sentenced as an alternative to prison, and those on conditional release from prison during the last days of their sentence.

At the moment it costs us (and I think the country was really alarmed, and rightfully so) a substantial amount of money to keep someone in prison in Cayman—in excess of \$50,000 per annum. What we are saying so far with this proposal is that this amount for monitoring someone who is participating in this scheme is somewhere along the lines of one-tenth of that amount. If you take 50 persons at \$50,000, you are talking about \$2.5 million. Take 50 people at \$5,000 and you are talking about \$250,000. That is like 10 percent of the normal amount to keep an inmate in prison. That is very significant.

The thing I would like to caution about with this approach is that there are a number of agencies that will be involved with this. There will be monitoring officers who have to be very well trained. A moment ago we heard about the use of 911. We have to make sure that when there is a breach that it is acted upon promptly because that can be a downfall of this system.

I do not know what the increase cost will be (and I do not think it has been assessed as yet), but it might well be that we might consider tying this into a GPS system as well, where we not only will know there is a breach, but we will be able to pinpoint the

exact location of an individual at any point in time. That is something I throw out as food for thought.

The device, if tampered with, will also send a signal to the monitoring agency or monitoring officers. As I said before, it is very important that these breaches are monitored carefully and acted upon by all concerned in a very prompt and efficient manner otherwise we run the risk of violations becoming a lot more serious. The good thing is that we are dealing with low risk offenders at this point. Hopefully, if there are violations they will not be of too serious a nature, but human nature being what it is, that is a chance we cannot afford to take.

Something that I think needs to be considered is where an individual is in breach of their perimeter and they have an accomplice. Although we heard about voice recognition working in tandem with this, there may be an accomplice who verifies that they are where they say they should be when in truth and in fact they are not. I think we need to make sure that the legislation makes it an offence for anyone to assist in such deviant behaviour.

Madam Speaker, I also see this being useful to the community where we have prisoners on work release programmes. There again, we want to make sure that the whereabouts of these individuals is restricted and we know where they are. It is so important for us to be able to try and save the lives of many of these people that go to prison; as it were, save their lives. A lot of times when they go to prison in Cayman the lives of those young people are tarnished, a stigma is attached and they are pretty much finished in our society because no one is willing to really give them a chance afterwards.

It is incumbent on society (and as I speak here I know the general public is listening) that when the courts produce alternative sentencing and someone is being electronically monitored and they live up to their end of the bargain, that society will give these people a chance. Hopefully, while this whole process is taking place, as the Second Official Member mentioned there are a lot of programmes and assistance that can be forthcoming from the family, from the workplace and from society in general to allow these people to become fully integrated back into society as it were. And, while they are paying for their mistake by being monitored and different from the ordinary citizen, at the same time they will be showing society that they are willing to change, and they are remorseful for their mistake.

Madam Speaker, this is certainly chartering new waters in our judicial system. It has never been tried, but I am proud to be part of a Government that is willing to try new things, and particularly when it comes to our young people because it is our young people most of all that are right now being incarcerated day in and day out and filling our prison. Our prison population is much too high for a country with a population of 50,000 people. I think anything we can do to assist in this regard to allow these people to get

their lives back on track . . . and we are all human, Madam Speaker. We have a tendency to make mistakes. Some people go through life lucky enough not to err on the side of the law, but others do, sometimes for many reasons. It is a case of them being castigated for the rest of their lives because of this.

Therefore, I am happy to rise in support of such an initiative. As the Second Official Member said, this is certainly not the cure for all ills. However, taken in tandem with all of the other measures that we are piloting at this time . . . and for those who say we are getting soft on crime, I think that anyone who thinks that only has to cast his mind back a few months [ago] and remember all of the stiff sentencing legislation that [was put] in place for those who commit serious crimes in our jurisdiction.

I would like to commend the Second Official Member and his staff, and the folks from the Chief Secretary's office and all the other folks who had a hand, who put in a lot of time, effort, and research into coming up with such an innovative approach. I do hope that when this Bill passes and we have this in our system that we ensure that all those involved in carrying it out are duly trained.

The last caution I wish like to make, Madam Speaker, is that, especially on the judicial side, there will be a certain amount of discretion needed. There will be discretion needed also by monitoring officers. Discretion is something that is not always in abundant supply. We would like to make sure that we put people in place who are going to carry this out who can use good common sense to make the right decisions.

Madam Speaker, with that brief contribution I would like to support this Bill. Thank you very much.

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 rise to lend my support to this amendment and to reiterate, Madam Speaker, a point made by the Third Elected Member for Bodden Town about the monitoring side of things where an individual would assist somebody who is being monitored in the breach of whatever order is being carried out at the time. Say, for instance, Madam Speaker, the individual should have been visiting a counsellor at a certain point on a certain day, and the system calls the counsellor and asks if the individual is there or has been there and the reply is in the affirmative but are somehow in collusion with the person being monitored, to give them some free time to do something else. That should be an offence in my opinion. I think that we need to look at that seriously so that we make sure that this thing is carried out and administered to the full extent of the law.

I spoke, Madam Speaker, to make that point and to ask the Honourable Second Official Member if he could please clarify that in his reply.

Thank you, Madam Speaker.

The Speaker: 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.

I too join my colleagues to accede to this Bill that is presented by the Honourable Second Official Member. However, importantly, I would like to take another slant on, perhaps, the rehabilitative effect it may have on our young people.

All too often our young people are in prison and they are taken away from the world of civilisation. Their life is blighted for the rest of their life, and all of us know what I mean by that. However, I believe that this monitoring effect that will be instituted will reduce some of the crime factors that we have in our country, primarily because it will allow the various agencies to get together to ensure that the proper monitoring is carried out. The Third Elected Member for George Town spoke about that.

I believe also it will develop a better family relationship because, as we all know, most of the persons who go to prison are men. Hopefully it will engage them into a better relationship with their family because they will be curtailed, so to speak, and therefore will have nothing else to do I am sure, but to engage in a better way with their children and with their spouses or significant others. It also gives the children another chance with their parent because we know what happens when we send parents to prison.

This is innovative. We are going to have the nay-sayers on the outside talking about how we are spending more money, but the Third Elected Member for Bodden Town, who is an accountant by profession, has already shown the economic savings that we will have instead of imprisoning all of our persons in the prison. I will not dwell on that.

I will conclude by acceding to this Bill and supporting it and say that I do sincerely believe that it will have a rehabilitative effect. I am sure in the not-too-distant future once it is effected it will reduce crime and crime offences in our country.

Thank you very much.

The Speaker: Does any other Member wish to speak? [pause] 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.

Madam Speaker, I am extremely heartened by the support that has been shown for this Bill. I especially thank the honourable Third Elected Member for Bodden Town, the honourable Fourth Elected Member for George Town and the honourable Third Elected Member for George Town.

Madam Speaker, if I might just touch on a couple of things that have been mentioned by those who spoke.

One of the central themes that was echoed by both the Third Elected Member for Bodden Town and the Fourth Elected Member for George Town is the need to ensure effective compliance, for example, by ensuring that there is effective provision in the Law that will deter persons who might be tempted to aid and abet any noncompliance with any order that is made by the court. It is very important that we have that sort of provision in the legislation itself because the initiative and whatever is being proposed can only be as effective as the community wants it to be.

We are aware and not unmindful that, regrettably, there are persons within the community who might wish, for whatever reason, to defeat what it is that is being proposed. I am not saying that they are necessarily malicious, but sometimes feelings run deep and people might think that they are doing the right thing in assisting a relative in not complying.

So, we are currently working on a bit of writing, which hopefully, with the leave of this honourable House will be accepted as a Committee stage amendment to address the concerns raised by those two honourable Members.

Madam Speaker, it was also mentioned that training is very vital or essential, and that there is need to ensure that persons who are involved in monitoring or implementing and giving effect to this initiative are persons with maturity and discretion, and there must be a certain degree of flexibility. I am aware that there are quite a bit of activities that are taking place in both the Ministry of Health and Human Services and the Portfolio of Internal and External Affairs where the relevant persons are being identified. There are ongoing discussions taking place with a view to ensuring that there is proper training for these individuals so as to make the programming very effective.

Madam Speaker, I should also mention (although it probably does not need to be expressly stated) the initiative will extend to Cayman Brac and Little Cayman as well. The relevant technical persons, as well as those involved at the level of the judicial department, will be sensitised in this regard to ensure that this is really not just a Grand Cayman project but one that goes to the Brac and Little Cayman as well. I think I should just mention that for the purpose of the record so that we are under no doubt at all as to the reach of what is being proposed here.

Madam Speaker, with those comments, I would like again to thank honourable Members for their support for this Bill.

Thank you.

The Speaker: The question is that a Bill shortly entitled The Alternative Sentencing Bill, 2006, be given a second reading. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. The Alternative Sentencing Bill, 2006, has been given a second reading.

Agreed: The Alternative Sentencing Bill, 2006, given a second reading.

The Speaker: I recognise the Honourable Second Official Member.

The Drug Court Bill, 2006

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

I beg to move the Second Reading of A Bill for a Law to provide for the establishment of a Drug Court to facilitate the treatment and rehabilitation of persons who commit certain drug offences or other offences while under the influence of drugs; to provide for the supervision of such persons while undergoing treatment pursuant to a programme prescribed by the drug Court; and for incidental and connected purposes.

The Speaker: The Motion has been duly moved and is open for debate. Does the Honourable Second Official Member wish to speak thereto?

Honourable Second Official Member.

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

Madam Speaker, let me just apologise, but I thought my voice was doing very well up to lunch time. I seem to have deteriorated quite quickly. Sorry.

The Speaker: Honourable Second Official Member, I will suspend proceedings for ten minutes to give you the opportunity to rest your throat, if that will help.

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

The Speaker: Proceedings will be suspended for ten minutes.

Proceedings suspended at 3.51 pm

Proceedings resumed at 4.05 pm

The Speaker: Please be seated. Proceedings are resumed. The Honourable Second Official Member continuing his introduction.

Hon. Samuel W. Bulgin: Thank you, Madam Speaker. I am indeed grateful to you for the break so that I could recover a bit of my voice.

Madam Speaker, there is a deep concern at the growing number of offenders who have a drug addiction problem in these Islands. Indeed it has been noted that young persons who are addicted to drugs

are not persons who can be motivated to pursue further education or careers. In addition, Madam Speaker, it is now recognised that many offenders commit crimes because of their addiction to drugs simply in order to fund these addictions. There have also been many cases of addiction leading to domestic violence. So, the long-term effect to our society as it relates to drug abuse cannot be ignored.

Persons who come before our courts for a first offence of possession or consumption of a drug, Madam Speaker, do not usually attract a term of imprisonment. Indeed, it is recognised that even when the offender has multiple convictions for such offences, prison may not be the appropriate place for him.

The Sentencing Advisory Committee has conducted an examination into sentencing actions that are not now available to the courts as it relates to drug offences. One such action, which met with the approval of the Committee, is the need for the establishment of a drug court focusing on the treatment and rehabilitation of drug abusers. Madam Speaker, may I just give notice that at some point there will be a Committee stage amendment to change the title to a Drug Rehabilitation Court instead of a Drug Court?

This court, Madam Speaker, when established, will do the following: It will reduce the incidents of drug use and drug dependence by persons whose criminal activities are found to be linked to such dependants; It will also help to reduce a level of crime which results from drug use, and provide rehabilitation for persons who are drug users so as to enable them, Madam Speaker, to function as law abiding citizens;

The Drug Court Bill, 2006, therefore proposes the establishment of a Drug Court empowered to order an offender to submit (with his consent, of course) to a treatment programme, random drug testing, counselling and supervision. Indeed, if the offender's consent is withheld, then the offence charge would be determined not by the Drug Court, but by what the Bill termed the 'regular sitting' of either the Grand Court or the Summary Court.

Under the proposed legislation, Madam Speaker, the Chief Justice would be empowered to declare any sitting of the Summary Court or Grand Court to be a Drug Court. However, it should be noted that where a sitting of the Grand Court has been declared a Drug Court, then the proceedings would be without jury. It would be a judge alone.

Madam Speaker, the legislation itself prescribes the procedure for bringing a drug offender before a Drug Court and the provisions that are set out in the Bill itself, which will deal with the issue of assessment of drug offenders for the purpose of determining his or her suitability for participation in the prescribed treatment programme. Treatment programmes would include, of course, educational sessions and shared information concerning the effects of drug use on an individual, as well as the family and the society. There is also provision for group counselling sessions

and one-to-one sessions between the offender and the treatment provider.

Madam Speaker, a Drug Court would be empowered to confer rewards upon a drug offender who maintains a satisfactory level of compliance with the treatment programme. It would also provide for the imposition of sanctions upon an offender who fails to maintain a satisfactory level of compliance with the programme. The Drug Court would also be empowered to require the offender, in some instances, to make a small monetary contribution toward the costs of his treatment.

Madam Speaker, where a person is committed to this programme the duration of the programme itself would vary in length according to the needs of the offender. It is expected that it would be run anywhere between one and three years at any given time depending on the success or failure rate of compliance of the particular individual.

Where that happens, Madam Speaker, where the person is in a programme, the relevant charge that has been preferred against the person to which he would have either pleaded guilty or had already been convicted, is held in abeyance for the duration of the programme. If the person successfully completes the programme, what will happen is that the person will not then end up with a conviction, but he will walk away with sort of a clean record, so to speak, having success in completing the programme.

Upon termination of a successfully completed treatment programme, the court would discharge him absolutely or probably subject to some of the conditions as they fit. However, the court will be empowered to make specified orders, for example, an order for the offender to undergo random drug testing or a new treatment programme or something. The important thing is that there would be no criminal conviction at the end of that exercise.

Madam Speaker, when this legislation was being put together we received suggestions and input from various agencies, individuals, and groups, including the Human Rights Committee (HRC). I just want to use this opportunity to quickly clarify some of the concerns that the Human Rights Committee has and which were given wide coverage in the local newspapers.

Madam Speaker, it is always important that we recognise the contribution of the Human Rights Committee because they provide some sort of an insight which will allow, certainly, the Portfolio of Legal Affairs, to focus on some of the issues that we probably would normally take for granted, and so we welcome the scrutiny of groups such as the Human Rights Committee.

In their review of the Drug Court Bill they had concerns about certain provisions which deal with suspension of the rules of evidence according to them. They also have concerns about the issue of disclosure and absence of any right of appeal. If I

may, I will deal with the issue of the suspension of rules of evidence, Madam Speaker . . .

Clause 6(3) in the procedures of Drug Court, Madam Speaker says, "**The procedure of the Drug Court shall not be vitiated by reason of any failure to observe relevant rules of evidence.**" In other words, the procedure of the Drug Court shall not be vitiated by reason of any failure to observe the relevant rules of evidence.

Madam Speaker, in order to assist or clarify the position for the Human Rights Committee, clause 6(2) of the Bill says, "**Proceedings before the Drug Court are to be conducted – (a) in accordance with the directions of the Judge or magistrate presiding . . . with as little formality and technicality . . .**" and speed as necessary. Little formality and technicality and speed as necessary. It is in this context, Madam Speaker, that it goes on to state that if for any reason the rules of evidence were not observed, then that alone would not render the proceedings unlawful. It would not vitiate the proceedings. Let me just give a quick example while I am on my feet.

Madam Speaker, if there is a person who is part of this programme, a drug offender, and he appears before the Drug Court having already pleaded guilty or convicted, having reached that far. If he wishes to stand up in the well of the court and explain to the judge, the probation officer, and social services people, his problems, his backgrounds, his ills, his woes and how he got this far, he should be able to do so without having to go into a witness box take a Bible, be sworn and then cross-examined and have it suggested to him that he is lying. We are saying where he wishes to do so the court should allow him to do that and, if he does then that, in itself, would not render the proceedings unlawful. That is what we mean.

We are not saying that the rules of evidence will not be observed. We are saying that, for whatever reason (as outlined awhile ago) where those instances take place, then no one can say because of the court allowing or facilitating that sort of presentation the whole proceedings are unlawful. That is all we are saying.

In order to put that in perspective may I seek the leave of this House to make reference to a very helpful observation I found in the *Caymanian Compass* on 7 September 2006, where the Chief Justice spoke about his vision of how this will operate as well? Madam Speaker, I will lay it on the Table of the House if so required.

The caption of the story in this particular newspaper says, "**Drug Court plans detailed.**" The Chief Justice is quoted as saying, "**Anyone who does not consent or who is not committed to graduating through the programme can go to the regular court system and be dealt with in the conventional way . . .**"

"**Two things that will make the Drug Court unique are its setting and format.**"

“Justice Smellie envisions the jury room on the second floor of Kirk House as an appropriate venue. With a large conference table and windows on two walls, the room is spacious, airy and comfortable.

“He sees the Drug Court as a round table forum. A judge or magistrate will preside; not to try a case but to conduct the review process.”

This is important, Madam Speaker: **“Around the table will be the offender, a probation officer, a drug counsellor, any other treatment provider relevant to the case, a Crown representative and the offender’s attorney or a court-appointed Duty Counsel for someone not otherwise represented.”**

That is the sort of setting that is contemplated by this process. So, it is our contention (and I am sure the Human Rights Committee will agree having heard this explanation) that the whole concept is to facilitate a free discussion as much as possible with little technicality and formalities, and where that is carried out it should not in any way vitiate the process. That is all we are saying in this regard.

Madam Speaker, the HRC also has expressed some reservations about clause 16(2), which deals with no right of appeal from a certain decision of the Drug Court. In explaining what is contemplated here, we just need to look firstly at section 13 in order to understand clause 16(3).

Section 13 has a number of preconditions for acceptance into a drug treatment programme. Firstly, the person has to be eligible, that is he has to have a previous history of drug abuse and addiction, which suggests that he is appropriate for treatment and that he needs help. Before he enters a programme he will be required, as per clause 13(1)(c), to accept or agree to those conditions in the programme that is going to be imposed by the Court.

Similarly, Madam Speaker, he has to be made aware of the powers of the Court and the consequences of the compliance or non-compliance with the prescribed treatment programme as the case may be. That is, he will be rewarded if he complies and there are certain sanctions if there is noncompliance.

Additionally, by the time the person reaches that stage of the drug treatment court he would have either pleaded guilty already (that is admission of guilt) or would have been tried somewhere and committed to the programme if he has agreed to participate in the treatment programme. Now it is difficult, in my view, to see a person having gotten that far, having made those concessions, accepted those things, to now say, *‘Well, I want to appeal. I want to have a right to an appeal.’* It would defeat the whole purpose.

Bear in mind that there are adequate safeguards. If he wants to opt out of the programme, all he simply needs to say is, *‘Listen. I have gotten this far but I am not interested in continuing the programme. As is contemplated by the Law itself, I want to opt out of the programme and be returned to the regular court sitting where all of my rights and safeguards are in*

tact. I want to change my plea. I want to have Queen’s Counsel represent me, and I want to go through the system of a trial.’ So, all of those safeguards are in place; all of those fallback positions are in place.

Because of how it is contemplated, the drug treatment court is structured as the Chief Justice describes it: a round table. It is difficult to sort of conceptualise an appellate process in all of that, because the objective is to try to work with the person between one to three years (however long it takes) to ensure that he or she is rehabilitated or salvaged as the case may be. Hence the reason why the Bill is crafted that way. There is no desire on the part of anyone to transgress or take away or abrogate anyone’s constitutional rights, Madam Speaker.

Madam Speaker, the HRC also has some reservations about clause 7(4), Duty Counsel. Let me just explain that what the Bill simply contemplates is instances where a person is not otherwise represented by counsel. Usually when a person is arrested and charged, by the time he gets to court and has a first hearing (or second hearing for that matter), by then he is either represented by counsel by private retainer, or he has been assigned counsel by way of Legal Aid or something.

Our position, as contemplated by the Drug Court Bill, is that if, for whatever reason, this person is not represented by any of those means, then there is a Duty Counsel whose primary purpose is to ensure that this person has legal advice and it is accessible to him. So, the State will provide it at that stage. It is not the same thing as saying an *amicus* because what we are looking at here is not an adversarial system at this stage. We are looking at someone who can assist the offender, guiding him through the treatment programme, and at the same time providing the Court, if necessary, insight that might be able to help to articulate the person’s concerns or point of view at this round table setting that the Chief Justice has spoken about in the newspapers.

So, we are not, in any way, attempting to impose Duty Counsel on persons contrary to their wish. What we have decided to do in the Committee stage amendment that has been circulated, we have tweaked the language in that particular clause to make it quite clear, to clarify in fairness to the Human Rights Committee, that is only in those circumstances outlined above. No Legal Aid, no private retainer, or anything. We want to make sure that the person does not go through the entire programme without the benefit of some advice, and only in those circumstances will Duty Counsel be provided. Even then the person has the option with the new amendment to say, *‘I am not interested in having Duty Counsel.’*

Madam Speaker, other concerns expressed by the Human Rights Committee have to do with clause 25(ii)(c) which speaks of non-disclosure protected information. I think in fairness to the Human Rights Committee, what has happened here is that the clause itself was not probably as elegantly worded

as it could have been, and so one could understand the concerns that the Human Rights Committee has.

If I might just articulate what is contemplated in these provisions, one just needs to go on to clause 25(3) of the Bill to see the whole spirit and intentment of this provision. What is contemplated here, Madam Speaker, is that where a person is in a treatment programme and, for whatever reason he or she transgresses, say one of these random drug tests is done and substance is found in his system, the treatment provider (the person at Caribbean Haven or at George Town Hospital or wherever it is) has a duty under the law to inform the Drug Court that this person has not complied because drugs have been found in his system. I think the report would normally be made through the probation officer to the Court.

What we are saying is that where that disclosure is made, the person who informs the Court cannot be sued for making that sort of disclosure. There is no breach of doctor/patient relationship. That is what we are looking at.

Even if for some reason a person is sued, there is no right for anybody to compel Caribbean Haven, or say George Town Hospital, to disclose the person's record. That is what it is seeking to protect. However, you will see from clause 25(3): **“(3) The provisions of subsection (2)(b) and (c) shall not apply to or in respect of the provision of protected information – (a) in proceedings before the Drug Court;”**

So, in other words, the protected information can be used in the Drug Court proceedings, which means that the defendant, or the offender, will have access to this information. So there is no issue of non-disclosure of information to the offender.

As I said, in fairness to the Human Rights Committee, I understand how they arrived at their concerns or reservations. What we have suggested is that slight wording be done to the clause to clarify the position, to explain exactly what the non-disclosure means and who is affected by it.

Madam Speaker, I think I have covered the major concerns raised by the Human Rights Committee. I just need to say for the benefit of this honourable House and for the benefit of the public that we need no reminder that the purpose of this initiative; the purpose of this court is a Government concerted effort to break the cycle of drug abuse and the attendant criminal recidivism. Accordingly, the focus is on facilitating treatment for drug offenders who meet special criteria, and to provide an alternative to incarceration by offering an opportunity to complete a drug treatment programme.

Therefore this special Court takes a comprehensive approach which is aimed at reducing the number of crimes committed to support drug dependence through judicial supervision, comprehensive substance abuse treatment, random and frequent drug testing, incentives and sanctions, clinical care management and Social Services support.

They are aimed, Madam Speaker, at reducing the harm people cause to themselves and to others through their drug use. Participants have to agree to follow a structured programme of treatment and community service support to reduce their dependence on illegal drugs. It is not meant to be a usual courtroom atmosphere, where all the formalities associated with an adversarial trial process have to be observed to the letter. If that were so, there would be no need to declare a particular sitting as a Drug Court. Instead offenders could choose to remain in the regular court with all the trappings of a criminal trial, in which case, it would be business as usual for a defendant, his counsel and the Crown.

Madam Speaker—

Hour of Interruption—4.30 pm

The Speaker: Honourable Second Official Member, if you would give way, it is the hour of interruption. I call on the Honourable Leader of Government Business to move the suspension of Standing Order 10(2) to finish the orders of the day if that is the intention of the House.

Honourable Leader of Government Business.

Suspension of Standing Order 10(2)

Hon. D. Kurt Tibbetts: Yes, Madam Speaker, it is the wish of the Government, and so I would move the suspension of the relevant Standing Order that we may continue beyond the hour of 4.30.

The Speaker: The question is that Standing Order 10(2) be suspended to allow the business of the House to continue 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) has been suspended.

Agreed: Standing Order 10(2) suspended.

The Speaker: Honourable Second Official Member.

Hon. Samuel W. Bulgin: Thank you, Madam Speaker. I appreciate the indulgence of the Chair and, of course, of honourable Members.

Madam Speaker, I have completed my presentation on the Bill. I just wish to say that this is an attempt by the Government to provide an opportunity for drug offenders who have a problem. It is real hope. It is an opportunity to provide them with hope for the first time, and we as legislators, and as a community, need to lend our full weight to this initiative, which in the long run will make a real difference for the first time in how we deal with those among us who are

caught up in this vicious cycle of drug abuse and drug addiction.

Thank you.

The Speaker: Does any other Member wish to speak? *[pause]* If no other Member wishes to speak, does the Honourable Second Official Member wish to exercise his right of reply?

Honourable Second Official Member.

Hon. Samuel W. Bulgin: Thank you, Madam Speaker. I do appreciate the support of honourable Members for this Bill.

Madam Speaker, may I just mention that in the Committee stage amendment that is proposed, we intend to address one of the concerns of the Human Rights Committee which has some merits. It has to do with the removal of the presumption of innocence where the person was simply charged but not convicted. We have now decided to add the word not just 'charged' but also 'convicted'. In those circumstances the person would be deemed to have failed the programme, not just simply by being charged, but also being convicted.

I do thank you, Madam Speaker.

The Speaker: The question is that a Bill shortly entitled The Drug Court Bill, 2006, be given a second reading. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. The Drug Court Bill, 2006, has been given a second reading.

Agreed: The Drug Court Bill, 2006, given a second reading.

The Bail (Amendment) Bill, 2006

The Speaker: I recognise the Honourable Second Official Member.

Hon. Samuel W. Bulgin: Could I just crave your indulgence, Madam Speaker. *[pause]* Thank you, Madam Speaker.

Madam Speaker, I beg to move for a second reading for a Bill for a law to amend the Bail Law (2006 Revision) in order to widen the conditions and the grant of bail; and for incidental and connected purposes.

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.

Madam Speaker, this is a very short amendment to the Bail Law. It seeks to provide that a person on bail who is subject to a curfew order by a court may also be subject to electronic monitoring while he is on such curfew.

Section 7 of the Bail Law will provide that, for example, **“a court or a police officer may only grant bail subject to such conditions as appear to the court or to the police officer to be necessary to secure that an accused person does not commit any offence while on bail and does not interfere with witnesses or otherwise obstructs the course of justice, whether in relation to himself or other person. Currently the court and the police, pursuant to such provisions, do impose curfews on persons who are on bail.”** What this amendment will do is provide that as part of a bail condition they can be made subject to electronic monitoring to ensure compliance with the bail conditions.

I do thank you, Madam Speaker.

The Speaker: Does any other Member wish to speak? *[pause]* Does the honourable mover wish to exercise his right of reply?

Hon. Samuel W. Bulgin: Thank you, Madam Speaker. I do thank honourable Members of this House for their support of this Bill.

Thank you.

The Speaker: The question is that a Bill shortly entitled The Bail (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. The Bail (Amendment) Bill, 2006, has been given a second reading.

Agreed: The Bail (Amendment) Bill, 2006, given a second reading.

The Speaker: That concludes the orders of the day. I will entertain a motion for the adjournment of this honourable House.

Honourable Leader of Government Business.

ADJOURNMENT

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker.

I beg to move the adjournment of this honourable House until 10 am tomorrow morning.

The Speaker: The question is that this honourable House do now adjourn until 10 am tomorrow morning. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. This honourable House does now stand adjourned until 10 am tomorrow morning.

At 4.38 pm the House stood adjourned until 10 am Thursday, 14 September 2006.

OFFICIAL HANSARD REPORT
THURSDAY
14 SEPT 2006
10.11 AM
Fifth Sitting

The Speaker: I will call on the Honourable Minister responsible for Tourism to say prayers.

ond Elected Member for the district of West Bay due to the death of his uncle yesterday.

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.

Proceedings resumed at 10.14 am

The Speaker: Please be seated. Proceedings are resumed.

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

Apologies

The Speaker: I have received apologies for late arrival from the Third Elected Member for the district of Bodden Town, apologies for absence from the Sec-

Condolences

The Speaker: I would like to go on record extending condolences on behalf of this House to the Honourable Member and his family.

**PRESENTATION OF PAPERS
AND OF REPORTS**

**A New Model of Governance for the Education
System of the Cayman Islands**

The Speaker: I recognise the Honourable Minister responsible for Education.

Hon. Alden M. McLaughlin, Jr.: Madam Speaker, I beg to lay on the Table of this honourable House a document entitled "A New Model of Governance for the Education System of the Cayman Islands".

The Speaker: So ordered.

Does the Honourable Minister wish to speak thereto?

Hon. Alden M. McLaughlin, Jr.: Almost Exactly eleven months ago, on October 13th 2005, this honourable House unanimously approved the "National Consensus on the Future of the Education in the Cayman Islands". This document was produced as the blueprint for reform of our education system following the large scale education conference of September 2005 in which all stakeholders in our community contributed.

Immediately following this approval, a working committee was established within the Ministry called the Education Innovation Oversight Committee. This body was charged to guide the implementation of the ten strategies contained in the National Consensus document. This work is ongoing, and I am pleased to advise that work on a number of strategies is either complete or well advanced.

Strategy 1 focused on the governance model needed for the new Education Service to realise the expectations of the stakeholders as outlined in the National Consensus document. This strategy required the "redefining, rationalizing and reassigning of core functions for education amongst schools, the Schools' Inspectorate, the Education Department, the Ministry, the University College and all other organizations and stakeholders that support the

delivery of education.” [p.20 *National Consensus document*]

To give effect to the work required, a task force was appointed with responsibility for delivering this strategy's objectives. The appointed task force was comprised of key representatives of: the Education Department, primary and secondary school principals representing Grand Cayman and Cayman Brac, UCCI and the Ministry.

The taskforce was chaired (until her recent move to the Portfolio of the Civil Service) by former Deputy Chief Officer (Education) of the Ministry of Education, Mrs. Mary Rodrigues, who made significant contributions to the process, and the resulting model.

Other members of the taskforce were: Mr. Gareth Long – Strategic Development Advisor (Education), Ministry of Education; Mrs. Francine Gardner – Deputy Chief Education Officer; Mrs. Shirley Wahler – Principal, Cayman Brac High School; Mrs. Dewayne Bennett – Principal, John A. Cumber Primary School; and Dr. Paul Simmons – UCCI.

The Strategy 1 taskforce adopted an approach to its work based on inclusion, dialogue and consideration of international best practice.

Madam Speaker, the governance model which I am pleased to present today, represents the delivery of this taskforce's objectives, and meets the needs of the education system in the Cayman Islands, adopting a philosophy of 'serving the student', by placing them at the very centre of the model.

The National Education Conference revealed that, under the current system, we are not able to produce sufficiently qualified graduates in adequate numbers to meet the growing demands of our national economy. Unsatisfactory levels of performance were noted, especially in Language, Mathematics and Science. Employers expressed dissatisfaction with technical competencies and work ethic, and expressed the opinion that too few students were taking advantage of tertiary education or other training opportunities.

The people of the Cayman Islands called for change. They told us that schools needed greater autonomy and that teacher morale is low. They highlighted inefficiencies and ineffectiveness in the way that the education system is managed and led. They observed that rationalisation and alignment were absent, and that ambiguity exists among roles and responsibilities within the current system, compounded by conflicts and duplication in the way services are delivered to schools. It was also apparent that there were no common standards or expectations for teaching and student achievement.

Madam Speaker, the Education Conference also highlighted for us the unwelcome consequences of failure to change. These included: an unacceptably high proportion of our working age population who lack the skills and flexibility to compete effectively in the local employment market a system of governance which limits the positive impacts of improvements and

reforms the increasing difficulties of recruiting, retaining and motivating staff.

Madam Speaker I must remind members of this esteemed House of the daunting words uttered by Mr. Conor O'Dea, Managing Director of Butterfield Bank, during the education conference when he said: *“Presently the educational achievement level of most school leavers is inadequate for the needs of business and without investment, the labour skill force base may be obsolete by 2010.”*

Indeed the need for change is clear, and I think it is fair to say, undisputed by all major stakeholders in the education system, and anybody with a genuine interest in the future of our children, and of our country.

During the 2005 National Conference, delegates noted that the current Education system had some strengths including: Well resourced schools with adequate staffing; and the fact that the Ministry is open to improvement. There were aspects of the Schools' Inspectorate, including link inspectors, feedback given, support for self-evaluation and provision of conferences which were good. The fact that schools are given professional development days for teachers and there was good support from some curriculum officers. [p.15 *National Consensus document*]

Madam Speaker, against this backdrop the task force considered representations from the Chief Education Officer, all Education Officers, Principals and UCCI. They also undertook considerable research on models of governance in other jurisdictions. They also looked at the Vision 2008 Report and the Millett Report amongst many others.

Madam Speaker, the existing organisational chart for the education system is based on a traditional hierarchical structure. Consider a layered structure with students 'buried' at the bottom. Above them sit the schools, which in turn sit below the Education Department, who provide services and supervision for school operations and performance. All these layers of the system are overseen by the Ministry of Education, which reports ultimately to Cabinet.

Within the current structure of education services the Chief Education Officer reports directly to the Chief Officer at the Ministry, both of which have direct links with the Schools' Inspectorate.

Below the Chief Education Officer sits a Deputy, to whom all of the various layers of education officers and providers of education services report.

Teachers report to school principals. However, it is curious to note that in the current system, principals report directly to the Chief Education Officer, and NOT to the various education officers who sit in the layers below.

This means that ALL of the significant volume of mundane, routine school operational matters arising from principals, are dealt with at the very highest level of the department, the Chief Education Officer, whilst the layers of education officers below are sheltered from any direct ownership. Needless to say, this

impedes the efficiency and strategic value of the lead role, and fails to put to most effective use, the administrative layers below.

It is also noted during the education conference that there is a clear need within the current education system for:

- Clearer policies and processes
- More cohesiveness in the system
- Transparency in decision making
- Greater autonomy for schools
- Greater clarity and support from the Education Department
- Improved management of the Education Department
- A more proactive approach to buildings maintenance
- Greater involvement of parents and community in valuing education and addressing major social issues
- Much improved personnel processes including performance management
- Teacher training facilities and more professional development
- Reducing isolation of the Sister Islands

[Pages 15 – 17 *National Consensus* document]

The policy implications of addressing these needs were recognized as:

- We must place students' needs and interests at the forefront of decision-making
- We must delegate authority for decision making to schools where the responsibility lies
- We must ensure that the work of **every** educational institution is realigned to focus on **serving the students** and providing support to their learning

[Page 18 *National Consensus* document]

Madam Speaker, to address these policy issues a NEW model for the future governance and management of education in the Cayman Islands has been developed. This new model places the student at the centre, and adopts a philosophy of 'serving the student'.

Picture a model where the components of the education system are represented by concentric circles, with the student in the very centre - at the very core of the model.

The student is encapsulated by the school, which is planned to promote achievement, equity and access.

In this model, groups of schools form *Learning Communities*, about which I will elaborate shortly. The *Learning Community* exists to support teaching and learning.

Supporting the Learning Communities is the *Department of Education Services*, revitalized to provide the administrative framework for the Schools and their students.

Encompassing the whole is the Ministry of Education, and the various bodies, which support

education and for whom the Ministry has responsibility: the Education Standards Unit (currently the Schools' Inspectorate), the Education Council Secretariat; Tertiary Education support; and the University College of the Cayman Islands.

Madam Speaker, I will turn our focus now to the concept of *Learning Communities* to which I earlier referred.

Let us consider first what students need in order to successfully achieve their aims. Students require:

- Schools where they feel safe, with an attractive and challenging work environment.
- Appropriate levels of support to ensure equality of access to a high level, relevant, and challenging curriculum
- Consistently high levels of teaching and learning
- An atmosphere which expects, and which is conducive to, success
- Frequent feedback on how they are doing and how they can improve
- Support and opportunities for parents to become involved in their child's learning
- A role for the wider community in the education of its children

Let us now consider, Madam Speaker, what schools need in order to successfully fulfill their objectives. Schools require:

- Consistently high quality support for school leadership;
- Continual focus on supporting the highest standards of teaching and learning;
- Specialist services to ensure equity for students, delivered in an appropriate time frame;
- Mechanisms for sharing high standards within the education fraternity, and developing ideas for the future;
- Support for school resources, for example, Information Communication Technology (ICT), to minimise "down time", or lost opportunities for learning;
- Support for administrative and events work.

Madam Speaker, please note also that for schools to be successful, it is essential that this support is readily available at the required standard, and on a timely basis throughout the school year.

This is where the role of the *Learning Community* comes in to play.

Our new model divides schools across the Cayman Islands geographically into four separate groups, each called a *Learning Community*. The geographical division can be described as:

- Learning Community 1 - West Bay to the North of George Town;
- Learning Community 2 - George Town to Prospect;
- Learning Community 3 – Savannah, Bodden Town, East End and North Side

- Learning Community 4 – Cayman Brac and Little Cayman.

These *Learning Communities* are designed to support the new model, which will be centred on meeting the needs of students, as well as introducing accountability for student achievement at every level.

To this end, the *Learning Communities* will facilitate the decentralisation of the necessary services and resources to schools and students, as these provisions will be readily available within the community, and within easy access of those who require them.

Learning communities will also provide 'clusters' of schools, which will support and challenge each other in the pursuit of continual improvement of education standards.

Principals will enjoy the increased support of a *Learning Community Management Team*, of which they will be a part. This team will focus on student improvement and achievement.

The framework within which the *Learning Communities* will operate, will ensure that the *Learning Community Leaders* remain focused on school improvement, by supporting, coordinating and monitoring the organization of schools, and the services which they receive. It will also ensure that accountability for the provision of education and services, to schools and students, exists at every stage of the process, and at every level of the structure.

The Learning Communities' will encourage parents and the wider community to play a greater role in education. This additional support will help provide for the needs of schools and students, and enhance performance in teaching and learning.

The functional model for each Learning Community uses a *matrix* structure, promoting direct and unhindered access within the community, to a range of support and services for schools and students.

At the top of the model, the Director of Education Services will assume ultimate responsibility for the performance of the Learning Community. Below, the Learning Community Leader will report to the Director of Education Services.

The schools will report to the Learning Community Leader, and their core focus will be on the functions of Teaching, Learning and Communication.

In this new model, schools will enjoy direct access to education services within the community: guidance and counselling; student support services; financial support; ICT support; registration, attendance and truancy; facilities management; and after hours programming.

In this model, all members of the learning community will be accountable for the achievements of students in their school. They will each have a role to play in supporting the highest standards of teaching, learning and support services, for the benefit of students.

The introduction of Learning Communities will also bring with it increased utilisation of school facilities. The role of schools in the community will be expanded to that of a learning centre, providing for a range of additional educational activities, which will take place outside of normal school hours.

An 'After Hours Coordinator' will take over the principal's responsibilities for operations outside of school hours, and will report for duty before the Principal leaves the site, to ensure a smooth handover of operational matters for the day.

In addition to the community benefits of enhanced provision of teaching and learning activities, the increased utilisation of schools in this way represents improved return on government's investment in the facilities. If a school building goes unused outside of normal school hours, an opportunity is missed to enjoy the full benefit of a valuable fixed asset. By extending the hours that schools are in use, government meet the needs of the community, whilst also increasing efficiencies in the usage of assets.

For Learning Communities to fulfill their roles effectively, they must be supported by high quality centralised services. I am referring to leadership; and effective communication systems.

The new model provides for a Department of Education Services which, operating in its capacity as a centralised entity, will be structured to deliver the services, which the Learning Communities need.

At the top of the organisation is the Director of Education Services, who reports to the Chief Officer in the Ministry of Education, and who will also link directly to relevant Ministry functions such as Human Resources, Finance, Facilities Management and Research and Planning.

Reporting to the Director of Education Services are the Heads of each of the principal functions of the department, which will be available as dedicated resources to each of the Learning Communities.

These functions comprise: Teaching and Learning; Human Resources; Finance; Facilities; Data and Exams; ICT and Help Desk; and the Early Childhood Unit. Each of these functions will in turn be supported by administrative staff, which will carry out the routine duties of the department.

The matrix structure provides for direct lines of reporting and communication between the Learning Communities and all of the principal elements and services of the Department of Education Services. This model facilitates effective communication and increased efficiencies in the delivery of services to users and ensures greater accountability.

Madam Speaker, I would now like to move on to the Ministry's role within the new model.

All of the aspects of the education system as discussed are encompassed within the responsibility of the Ministry of Education. For the Department of Education Services to achieve its objectives successfully, it must have the requisite support from the Ministry.

I am referring to high quality advice and direction on policy as well as regular consultation with Ministry leaders. The department will be clear about the expectations of the Ministry as regards its performance goals, and the mechanisms by which, progress will be assessed. It must also be clear on its budgets and financial procedures. The department will also need clear lines of accountability between itself and the Ministry, to avoid any ambiguity about responsibility delivering services to the education system.

The Ministry will deliver the support which the Department of Education Services requires, through the provision of key operational functions, to include: The Education Council Secretariat; a dedicated Human Resource Unit; a Finance unit; an ICT Unit; a Project Management function; the Education Standards Unit (currently the Schools Inspectorate) and also Tertiary Education support.

Within this new model the Task Force made a final presentation on the 13th September 2006 yesterday to the Education Department Officers and school principals from Grand Cayman and Cayman Brac. The format of the day's proceedings allowed the attendees the opportunity to feedback on the new model.

Their comments coalesce around four common themes:

- Strong communications management
- The need for a planned funding provision
- A comprehensive training and development plan
- A phased introduction of the governance model

These comments have all been carefully reviewed and will be reflected in the ongoing development of the implementation plans.

In all groups there were positive reactions to the governance model and acknowledgement of the extensive research, analysis and thought that had gone into the process.

Madam Speaker, there is much more work to be done to realise the introduction of this new governance model. Significant attention is being paid to the Human Resource implications that such a change presents. Madam Speaker, as I speak HR discussions are underway with the personnel affected by this development process. Staff will commence their new roles in early January 2007 and training will commence concurrently with shadowing; international best practice; mentoring; attachments and secondments as may be deemed necessary. This is the first step in a defined process towards the phasing in of the new governance model by July 1st 2007.

Starting the process now, we will ensure that staff hit the ground running, ready for the start of the new school year in September 2007. A significant value of the phasing in of the governance model over the next two years allows much needed time to refine policies, systems and procedures towards full imple-

mentation with the opening of the three new high schools.

Madam Speaker, in advance of the 1st September 2007, we intend to make the necessary legislative changes to underpin and give authority and effect to the new governance model.

Madam Speaker, I would like to conclude by reiterating the value this new governance model contributes to the successful and effective reform of education for the benefit of students across these Islands.

This model puts students at the very centre of the organisational structure of the education system. It gives students and schools within their Learning Communities support, the likes of which they have never had before.

This model identifies clear responsibilities for student achievement, and with it accountability amongst staff at all levels, to ensure that student achievement levels are met as a result of the highest possible standard of education being provided.

This new model will allow for clearer policies and increased transparency in decision making. It allows for improved personnel practices and increased opportunities for professional development, all contributing to an enhanced learning environment geared towards academic success.

The new model brings greater clarity about the role played by the Department of Education Services. This model reassigns existing functions and responsibilities adding new responsibilities where required. In the new model, school principals will enjoy greater autonomy, allowing them to be more effective in managing schools and more able to focus on the teaching and learning environment.

The governance model increases the involvement of parents and the wider community, and places an emphasis on life-long learning. It encourages a learning environment, which extends beyond the classroom, and exposes students to a wider range of educational benefits and opportunities. It embraces a philosophy of continual personal development, designed to equip learners to thrive in every aspect, and at every stage, of life.

The new model also provides equity of education services and support for the Sister Islands, ensuring that students all over the Cayman Islands, will receive the same high standard of education they deserve.

Madam Speaker, and Members of this honourable House, it has been my privilege to share with you today this new governance model for the future of education in the Cayman Islands. This model represents a well-researched, meticulously planned solution for the much needed reform of our education system. I trust that you will share my enthusiasm as we move forward to with the transformation of the education service of these Islands.

Thank you, Madam Speaker.

The Private Securities Services Bill, 2006—Draft Discussion Bill

The Speaker: I recognise 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 Private Securities Services Bill, 2006, as a discussion paper for public consultation.

The Speaker: So ordered.

Does the Honourable Member wish to speak thereto?

Hon. Samuel W. Bulgin: Yes, Madam Speaker, briefly.

This Bill seeks to establish a licensing regime for private security guards and the firms that provide security services in these Islands.

The Bill is divided into four parts: Part 1, in clause 3, creates certain exceptions so that the legislation will not apply to constables or public officers performing legal functions, or persons providing security for their employer's business.

The licensing regime proposed in detail in Part II of the Bill provides that no person shall engage in the business of providing security guards unless he has received a licence from the Commissioner of Police. The Commissioner shall, before issuing a licence make inquiries into the character, antecedents, financial position and competence of an applicant for a licence.

The Commissioner must give notice in writing of a decision to refuse a licence and, of course, there is a right of appeal from any such refusal to the summary court.

Part III provides that it is an offence to be engaged in unlicensed security activity.

Part IV has a transitional provision which allows persons already operating such a business a six-month window in which to apply for a licence.

The Government considers the regulation and control of this business activity to be important, and keeping with its policy for wide public consultation, the Government looks forward to receiving responses from the community at large and key stakeholders in the industry within the 35-day period from today.

Thank you.

Report and Recommendations from the Minister Responsible for Lands—Vesting of Crown Land, Block 58A Parcels 11, 40 and 41 to the Estate of Alfred Lawrence Powell, Deceased

The Speaker: I recognise the Honourable Leader of Government Business the Minister responsible for land.

Hon. D. Kurt Tibbetts: I beg to lay on the Table of this honourable House one report of Crown property that has been prepared in accordance with the requirements of the Governor Vesting of Lands Law (1998 Revision).

The Speaker: So ordered.

Does the Honourable Minister wish to speak thereto?

Hon. D. Kurt Tibbetts: Thank you.

I want to confirm that, as required by the law, the details of this land matter have been published in the *Cayman Islands Gazette*, Extraordinary Issue No. 3 of 2005, dated 8 February 2005, and the local newspaper, namely, *Cayman Net News* on 9 February 2005.

Also, as required by law, three valuations have been carried out on the subject property. Each valuation forms part of the overall report and provides a general indication of the value of the property that the Government now proposes to vest.

The report deals with the disposition of Block 58A Parcels 11, 40 and 41 to the Estate of Alfred Lawrence Powell, deceased. This property is located about 200 feet east of Frank Sound Drive and the combined approximate area of the three parcels is 35.3 acres. They were unclaimed at the time of Cadastral and have since been held by the Governor of the Cayman Islands as Crown Land Unclaimed.

A claim in respect of the parcels was submitted by the Estate of Alfred Lawrence Powell. A report on this matter was considered by the Governor in Cabinet after careful analysis and consideration of the reports provided by the Director of the Lands and Survey Department and the Legal Department, together with the documentation provided by the claimant to substantiate the claim. In February 2005 . . . and, Madam Speaker, without any explanation I wish to stress the date—in February 2005—it was resolved that the parcel should be transferred to the Estate of Alfred Lawrence Powell, deceased, for nil consideration.

Mr. Speaker, I thank you for your indulgence.

Report on Pre-disposing Factors to Criminality in the Cayman Islands

The Speaker: I recognise the Honourable Second Official Member.

Hon. Samuel W. Bulgin: Thank you.

I beg to lay on the Table of this House a document entitled Report on Pre-disposing Factors to Criminality in the Cayman Islands, researched and written by Yolanda C. Forde, Consultant Criminologist.

The Speaker: So ordered.

Does the Honourable Second Official Member wish to speak thereto?

Hon. Samuel W. Bulgin: Thank you.

By way of background, on 13 September 2005, Cabinet gave its approval to the commissioning of this study on the pre-disposing factors to criminality in the Cayman Islands. The main purpose of the study was to scientifically identify criminal risk factors and to identify strategies for effective response.

Consequently, consultant criminologist, Yolanda C. Forde, of Barbados, was engaged by the Portfolio of Legal Affairs to carry out this study and she commenced duties in the Cayman Islands on 17 November 2005. Ms. Forde has 15 years professional experience in criminological practice. She specialises in policy initiatives which involve correctional reform and crime reduction strategies. She holds a Masters in Criminal Justice Policy from London's School of Economics. She also holds a Bachelor's Degree in Sociology and Law.

The terms of reference for this study were to:

1) Identify the factors which seem to pre-dispose individuals to criminality; 2) Use an appropriate aetiological framework and research methodologies to collect and analyse relevant data; 3) Construct a profile of the average incarcerated adult offender in Grand Cayman; 4) Advise on any strategies and policies that would constitute an effective response to criminogenic factors cited; and 5) Document the research findings analyses and policy recommendations in the form of a report to the Attorney General of the Cayman Islands.

In terms of a methodology, for the purpose of the study a random research sample of the inmate population at Northward and Eagle House was done. The data collected was coded and examined against the background of certain limitations which were identified. These include the absence of any control group. The resulting report is presented in five chapters. The core findings in respect of each chapter are as follows (and this is really a brief summary):

Chapter 1 of the report deals with Community and Organisational Involvement. The main finding in respect of this chapter is that there is a noticeable absence of active membership in any club or association among many of the inmates and an absence of conventional ties such that the research findings indicate a correlation between the lack of involvement in group-based activities and the risk of imprisonment. It is accordingly recommended that a strategy must be devised to get youth at risk in positive organisations such as service clubs.

Chapter 2 deals with Religious Participation. The findings were that 76.7 per cent of the inmates were involved in church activities as youngsters. Their involvement was more apparent than real. Indeed 21 of the 30 men interviewed indicated that they attended church during the two year period before going to prison for the first time. It is accordingly recommended that as a preventative measure the churches can play a more creative role to help youth forge more social relationships and can offer guidance and counselling

to those who have already displayed delinquent and criminal behaviour.

Chapter 3 deals with the issue of Education and School Experiences. The main findings were that many inmates appear to have gone through the system with their learning difficulties unaddressed. Two-thirds of the inmates who attended middle school were either expelled or suspended for drug abuse or fighting. Early problem signs of criminality were not addressed and the current types of behavioural interventions were not instituted.

Negative impacts on inmates from the school system include an inadequate special needs programme, the absence of a relative curriculum for students who are not academically inclined and who have learning difficulties, lack of parental support, and a disjunction between the culture of the home and the values being promoted by the school.

The report points out that the home environment of delinquent children is usually one that lacks educational tools and does not support practices such as reading and homework supervision. Accordingly, five recommendations were made. They include: implementation of a well designed plan of remedial education; a school programme of technical and vocational education; and a rule to allow children above age 16 to remain in the system where necessary. It also recommended that a finishing school designed to assist in building human capital should be looked at.

There should be action to increase parent/school partnership including legal emphasis on parental neglect. And there should be early intervention in the schools by a well designed behavioural modification programme for at risk youth and their parents.

Chapter 4 of the report deals with Criminal Profile. The main findings are that at the date of collection phase of this study on 13 December 2005, there were 181 men in Northward Prison, 10 young offenders, and 3 juveniles in the Eagle House facility. Thirty-three per cent of these were non-Caymanian nationals.

The categories of offences for which the men were incarcerated are shown at Table 4 B at page 66 of the report. The highest category of percentage is 24.9 per cent for drug related offence, namely cocaine and ganja, and 18.8 per cent for burglary offences. All taken together the report concludes that crimes of gain constitute half of all offences for which persons are primarily in prison.

Of the reasons given for committing crime by the inmates themselves, the highest percentage of 25 per cent, as shown at Table 4 K on page 103 of the report gave the reason as the desire for money. The next highest was at 20.8 per cent and that is under Anger/Revenge/Retaliation.

Findings of significance also include the fact that at the time of the study, 56 per cent of the men at Northward were under the age of 35 years. The troubling trend is that most of these individuals are recidi-

vists, or repeat prisoners. The consultant concludes that this suggests that a number of people are not growing out of crime but are becoming entrenched in it.

Table 4D at page 72 of the report indicates that 90 per cent of the sample population have an arrest history, with 41 per cent of these having been arrested more than five times. The rate of re-imprisonment in the Cayman Islands is 73.3 per cent, and the data indicates that many of these men began their criminal career at a very young age. Indeed, 88 per cent of those currently incarcerated had been before the juvenile court and the youth court in Grand Cayman on criminal charges—56 per cent of these by age 14. The usual punishment of juvenile detention did not bear the desired results of deterrence from criminal activity.

This has serious implications for the efficacy of the prison rehabilitation programme. Additionally, the data collected revealed that drug abuse is widespread among inmates with 90 per cent of the inmates at Northward and Eagle House using ganja or cocaine or both.

Chapter 4.6 at page 106 of the report shows 40 per cent of the inmates in prison believe that their drug use has influenced their involvement in crime. It was accordingly recommended that there should be a provision of an alternative to juvenile incarceration including intensive counselling and treatment both for the offender and the family and wider sentencing options. It was recommended that there should be implemented as an alternative to probation, intensive supervision programmes that have similar caseloads. Electronic monitoring devices can be used to closely monitor the offender and new and more detailed conditions can be added.

It was also recommended that we should establish a residential youth training and remand centre to fill a lacuna left by the closure of the Marine Institute Programme in 2002; implementing a meaningful inmate training programme at Northward to include the following components: remedial education; a vocational skills training programme; life skills training; special behavioural modification programmes; therapeutic services, for example, psychotherapy, drug treatment; pre-release assessment and exit interviews to determine through-care needs.

It was also recommended there be a post release supervision and support programme and unit to assist with the resettlement of all prisoners.

Another recommendation is the establishment of a drug treatment court and a more innovative and solution-oriented response to drug abuse and drug treatment in prison including detoxification treatment and rehabilitative components.

Chapter 5 of the report deals with the family background. The findings include that the parental background of the inmates is characterised by difficult circumstances such as absent fathers, parental rejection and neglect; lack of parental guidance, domestic

violence and child abuse and other problematic behaviours in the family. For example, a large proportion of the mothers of inmates were teenagers (46.7 per cent) under the age of 20 years. Fifty-three per cent of the inmates indicate that they were raised in homes in which a heavy drinker resided and 60 per cent came from homes in which illegal drugs were used.

Sixty-seven per cent of the inmates were from families in which other members of the household had criminal charges or convictions. This large a finding would suggest a predisposition to criminality because of negative socialisation in the home.

It was accordingly recommended that the provision of psychotherapy and psychological counselling services on a frequent basis should be provided to inmates and that there should be the implementation and development of family support programmes and institutional strengthening of the Department of Children and Family Services and the CAYS Foundation.

The report concludes with a profile of the average incarcerated offender at pages 176 through 177, and a recommendation that the Cayman Islands implement a comprehensive and holistic crime prevention strategy focusing on children and early intervention as well as addressing recidivism.

Finally, the way forward: Cabinet in considering this report has directed the establishment of a giant task force to comprise of all ministries and portfolios impacted by the report to study and review the report and devise a national strategic plan for addressing the concerns and adopting the practical recommendations set out in the report. It is hoped that there will be significant input from all cross sections of society and a national will to address the problem so that positive changes can be made.

The report is being laid on the Table of this House today and it is the Government's intention at a subsequent sitting to have a motion in place that will allow for the contents of the report to be debated on the floor of this House.

I do thank you.

STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF THE CABINET

The Speaker: I have not received notice of statements by Honourable Ministers/Members of Cabinet.

The House will now go into Committee.

House in Committee at 11.40 am

GOVERNMENT BUSINESS

BILLS

COMMITTEE ON BILLS

The Chairman: Please be seated.

The House is now in Committee. Am I to assume that minor amendments, typographical errors, misspellings, will be dealt with by the Honourable Second Official Member?

The Law Reform Commission (Amendment) Bill, 2006

The Clerk: The Law Reform Commission (Amendment) Bill, 2006

Clauses 1 through 7

The Clerk:

Clause 1	Short title
Clause 2	Amendment of section 2 of the Law Reform Commission Law 2005 - interpretation
Clause 3	Amendment of section 4 – composition of the Commission
Clause 4	Amendment of section 5 – resignation and revocation of appointment
Clause 5	Amendment of section 9 – meetings of the Commission
Clause 6	Amendment of section 10 – Law Reform Administrator and staff of the Commission
Clause 7	Amendment of section 11 – records

The Chairman: The question is that clauses 1 through 7 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 through 7 passed.

The Clerk: A Bill for a Law to Amend the Law Reform Commission Law, 2005; 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 Alternative Sentencing Bill, 2006

Clause 1

The Clerk: Clause 1 Short title.

The Chairman: I call on the Honourable Second Official Member.

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

In accordance with the provisions of Standing Order 52(1) and (2) I, the Honourable Second Official Member, move the following amendment to the Alternative Sentencing Bill, 2006: Clause 1 — by amending the marginal note by inserting after the word “title” the words “and commencement”; and by renumbering the clause as subclause (1) of clause 1 and by inserting after subclause (1) the following subclause —: “(2) This Law shall come into force on such date as may be appointed by order made by the Governor in Cabinet, and different dates may be appointed for different provisions of this Law and in relation to different matters.”

The Chairman: 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 1 passed.

The Chairman: The question is that the clause 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 1 as amended passed.

Clauses 2 through 4

The Clerk:

Clause 2	Definitions
Clause 3	Different kinds of punishments and discretion respecting punishment
Clause 4	Purpose of punishment

The Chairman: The question is that clauses 2 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 2 through 4 passed.

Clause 5

The Clerk: Clause 5 Curfew orders

The Chairman: I recognise the Honourable Second Official Member.

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

Madam Chair, in accordance with Standing Order 52(1) and (2) I beg to move the following amendments:

- in subclause (1), by deleting the words “of or over the age of seventeen years”;
- by repealing subclause (3) and by substituting the following sub-clause:“(3) A curfew order may be for such period as the court considers just and may specify different places or different periods for different days.”;
- in subclause (5), by inserting after the word “officer” the words “or such other person designated by the court”; and
- in subclause (6), by inserting after the word “place” the words “or places.”

The Chairman: The question is that the amendments do form part of the clause. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Amendments to clause 5 passed.

The Chairman: The question is that the clause 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 5 as amended passed.

Clause 6

The Clerk: Clause 6 Electronic monitoring of curfew orders

The Chairman: I recognise the Honourable Second Official Member.

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

Madam Chair, in accordance with Standing Order 52(1) and (2) I move the following amendments to clause 6:

- in subclause (2) by deleting paragraph (a) and by substituting the following paragraph:“(a) has been notified by the Ministry or Portfolio responsible for electronic monitoring arrangements that such arrangements are available in the area in which the place or places proposed to be specified in the order is or are situated; and”;
- by repealing subclause (3) and by substituting the following sub-clause– “(3) Electronic monitoring arrangements made by the responsible

Ministry or Portfolio under this section may include entering into contracts with other persons, whether public or private, for the electronic monitoring by those persons of the whereabouts of convicted persons.”;

- by inserting after subclause (3) the following sub-clauses:

“(4) Subject to subsection (5), a person who is subject to electronic monitoring may be required under the electronic monitoring arrangements to pay for the cost of such monitoring where the responsible Ministry or Portfolio finds that that person has the ability to pay such costs; and such costs shall be a debt owing to the Crown and may be recovered from the person in a court of civil jurisdiction.

“(5) In determining whether a person has the ability to pay for the cost of electronic monitoring, the Ministry or Portfolio shall consider any amounts the person has been ordered to pay in fines, restitution or such other costs and shall give priority to the payment of those items before requiring that the person pay for the electronic monitoring.

“(6) A person who damages, destroys or tampers with any device used for or to facilitate his or any other person’s electronic monitoring, commits an offence and is liable on summary conviction to imprisonment for 1 year and a fine of \$500.”

Madam Chair, also in accordance with Standing Order 52(1) and (2) I move the following further amendment to clause 6 of the Bill, namely that clause 6 of the Bill be further amended by inserting the following subclause (7) after subclause (6): “(7) Any document or information in relation to a convicted person provided under electronic monitoring arrangements to which he is subject by the person responsible for such monitoring shall prima facie be admissible in any courts in the Islands.”

Thank you.

The Chairman: Let me see if I can get the correct procedure here now in my questioning. I think I have not been giving Members the right to debate these amendments.

The amendment has been duly moved, and I ask does any Member wish to speak thereto? *[pause]*

The question is that the amendments stand part of the clause. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it. The amendment stands part of the clause.

Agreed: Amendments to clause 6 passed.

The Chairman: The question now is that clause 6 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 6 as amended passed.

Clauses 7 through 11

The Clerk:

Clause 7	Breach of curfew orders
Clause 8	Amendment by reason of change of residence
Clause 9	Amendment of requirements curfew order
Clause 10	Curfew orders: supplementary
Clause 11	Exclusion orders

The Chairman: The question is that clauses 7 through 11 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 7 through 11 passed.

Clause 12

The Clerk: Clause 12 Breach of exclusion order

The Chairman: I recognise the Honourable Second Official Member.

Hon. Samuel W. Bulgin: Thank you, Madam Chair. In accordance with Standing Order 52(1) and (2) I beg to move the following amendment to clause 12. That is that clause 12 be amended in subclause (2)(c) by inserting before the word "impose" the words "revoke the order and".

The Chairman: The amendment has been duly moved and is open for debate. Does any Member wish to speak thereto? *[pause]*

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 stands part of the clause.

Agreed: Amendment to clause 12 passed.

The Chairman: The question now is that clause 12 as amended form part of the Bill. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clause 12 as amended passed.

Clauses 13 through 15

The Clerk:

Clause 13	Amendment of exclusion order
Clause 14	Exclusion orders: supplementary
Clause 15	Definitions relating to conditional sentence of imprisonment

The Chairman: The question is that clauses 13 through 15 stand part of the Bill. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clauses 13 through 15 passed.

Clause 16

The Clerk: Clause 16 Imposing of conditional sentence

The Chairman: I recognise the Honourable Second Official Member.

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

Madam Chair, in accordance with Standing Order 52(1) and (2) I beg to move the following amendment: that clause 16 be amended by inserting after the words "serve the sentence" the words "or any part thereof".

The Chairman: The amendment has been duly moved and is open for debate. Does any Member wish to speak thereto? *[pause]*

If no Member wishes to speak, 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 stands part of the clause.

Agreed: Amendment to clause 16 passed.

The Chairman: The question now is that clause 16 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 16 as amended passed.

Clauses 17 through 22

The Clerk:

Clause 17	Compulsory conditions of conditional sentence order
Clause 18	Procedure on breach of condition
Clause 19	Person imprisoned for new offence
Clause 20	Intermittent sentences
Clause 21	Suspended sentence supervision orders
Clause 22	Breach of requirement of suspended sentence supervision order

The Chairman: The question is that clauses 17 through 22 form part of the Bill. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clauses 17 through 22 passed.

Clause 23

The Clerk: Clause 23 Restitution to victims of offences

The Chairman: I recognise the Honourable Second Official Member.

Hon. Samuel W. Bulgin: Thank you, Madam Chair. Madam Chair, in accordance with Standing Order 52(1) and (2) I beg to move the following amendment: That clause 23 be amended by deleting "(1)" where it appears.

The Chairman: The amendment has been duly moved and is open for debate. Does any Member wish to speak thereto? *[pause]* 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 stands part of the clause.

Agreed: Amendment to clause 23 passed.

The Chairman: The question now is that clause 23 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 23 as amended passed.

Clauses 24 through 31

The Clerk:

Clause 24	Restitution to persons acting in good faith
Clause 25	Priority to restitution
Clause 26	Enforcing restitution order
Clause 27	Moneys found on convicted person
Clause 28	Notice of restitution order
Clause 29	Civil remedy not affected
Clause 30	Restitution centres
Clause 31	Regulation of restitution centres

The Chairman: The question is that clauses 24 through 31 form part of the Bill. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clauses 24 through 31 passed.

Ms. Juliana Y. O'Connor-Connolly: Madam Chair.

The Chairman: Yes.

Ms. Juliana Y. O'Connor-Connolly: I was trying to catch you. I had a quick question on clause 30.

The Chairman: On clause 30?

Ms. Juliana Y. O'Connor-Connolly: Yes, Ma'am.

The Chairman: Okay, go ahead.

Ms. Juliana Y. O'Connor-Connolly: Thank you.

Through you, Madam Chair, to the Honourable Second Official Member, I was just wondering whether he could give an explanation as to why it was deemed necessary for the Governor to establish restitution centres as opposed to the Governor in Cabinet.

The Chairman: Honourable Second Official Member.

Hon. Samuel W. Bulgin: Clause 30. Can I just crave the Chair's indulgence?

The Chairman: Certainly.

[pause]

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

Madam Chair, I think we need to have a look at that. I seem to recall that it is a place of detention or prisons or places that are designated by the Governor in Cabinet as opposed to the Governor. This would be similar to such a facility, so it might very well be that it

should be the Governor in Cabinet as opposed to Governor.

[pause]

Hon. Samuel W. Bulgin: Madam Chair, it is something that I need to have a look at. I think there is some merit to the point raised by the honourable Member. I am just going to have it confirmed that it is, in fact, the Governor in Cabinet who would designate such a facility.

Thank you.

The Chairman: Honourable Second Official Member, I think we have also another amendment where we are taking out “in Cabinet,” so maybe both of them should be looked at, at the same time to see if . . .

Hon. Samuel W. Bulgin: That is correct, Madam Chair. It is in respect of clause 34(1) of the Bill.

The Chairman: Honourable Second Official Member, maybe we should take the morning break. So the House will resume and then I will suspend.

Hon. Samuel W. Bulgin: Thank you.

House resumed

Proceedings suspended at 11.23 am

Proceedings resumed at 11.55 am

The Chairman: Please be seated. Proceedings are resumed. The House will resume Committee stage.
[pause]

Honourable Second Official Member.

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

Madam Chair, we have now had an opportunity to look at the wording of the relevant provision, section 43 of the Imprisonment Law, which provides for regulation making powers. When read together with section 5, the appropriate designation should be the Governor in Cabinet. Accordingly, Madam Chair, pursuant to Standing Order 52, I seek the leave of the Chair to propose an amendment to clause—

The Chairman: Honourable Second Official Member, you have to seek the leave of the Committee to recommit clause 30, and then move an amendment, because the question was put on that clause.

Hon. Samuel W. Bulgin: Thank you, Madam Chair, for the guidance. I seek the leave of the Chair, and certainly the Committee, to recommit clause 30 for consideration.

The Chairman: The question is that clause 30 be re-committed. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clause 30 recommitted.

The Chairman: Honourable Second Official Member.

Clause 30 Recommitted

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

Madam Chair, I now seek the leave of the Chair to move an amendment to clause 30 which would read after the word “Governor” to add the words “in Cabinet”.

The Chairman: The amendment has been duly moved. Does any Member wish to speak thereto?
[pause] If no Member wishes to speak, 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 stands part of the clause.

Agreed: Amendment to clause 30 passed.

The Chairman: The question is that clause 30 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 30, as amended, passed.

Clause 32

The Clerk: Clause 32 Eligibility for placement in a restitution centre.

The Chairman: I recognise the Honourable Second Official Member.

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

Madam Chair, in accordance with clause 50 (1) and (2) I beg to move an amendment to clause 32: that Clause 32 be amended by deleting the words “the convicted person” wherever they appear in paragraphs (b) to (e) and by substituting therefor the word “he”.

The Chairman: The amendment has been duly moved and is open for debate. Does any Member wish to speak thereto? *[pause]*

If no Member wishes to speak, 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 stands part of the clause.

Agreed: Amendment to clause 32 passed.

The Chairman: The question is that clause 32 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 32 as amended passed.

Clause 33

The Clerk: Clause 33 Payment of convicted person

The Chairman: I recognise the Honourable Second Official Member.

Hon. Samuel W. Bulgin: Thank you, Madam Chair. Madam Chair, in accordance with Standing Order 52(1) and (2) I beg to move that clause 33 be amended in subclause (1) by deleting the word "necessary" and by substituting the words "reasonably required".

The Chairman: The amendment has been duly moved and is open for debate. Does any Member wish to speak thereto? *[pause]*

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 stands part of the clause.

Agreed: Amendment to clause 33 passed.

The Chairman: The question is that clause 33 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 33 as amended passed.

Clause 34

The Clerk: Clause 34 Fine option programme

The Chairman: I recognise the Honourable Second Official Member.

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

Madam Chair, previously a notice of Committee stage amendment (No. 3) was circulated and the first proposed amendment on that notice is in respect of clause 34(1) where it is proposed that the words "in Cabinet" be deleted.

Madam Chair, upon further research and looking at the relevant provision, I am of the opinion that the clause as it currently stands in the Bill should remain. That is, it should be the "Governor in Cabinet" as opposed to the "Governor." In the circumstances, Madam Chair, I would seek the leave of this Committee to withdraw that proposed amendment.

The Chairman: The question is that the proposed amendment to clause 34(1) deleting the words "in Cabinet" be withdrawn. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it. The amendment is duly withdrawn.

Agreed: Amendment to clause 34(1) withdrawn.

The Chairman: The question is that clause 34 forms part of the Bill. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clause 34 passed.

Clauses 35 through 47

The Clerk:

Clause 35	Power of court to permit conditional release of offenders
Clause 36	Probation order
Clause 37	Further provisions where court makes probation order
Clause 38	Commission of further offences by probationers
Clause 39	Failure by probationer to comply with probation order
Clause 40	Probation order; disqualification or disability
Clause 41	Transmission of documents when case is remitted to another court
Clause 42	Amendment of probation order

Clause 43	Discharge of probationer
Clause 44	Transmission of copies of orders for amendment or discharge of probation order
Clause 45	Power to release offenders conditionally upon entering into recognizances
Clause 46	Recognizances
Clause 47	Application of certain provisions to persons entering into recognizances under section 45

The Chairman: The question is that clauses 35 through 47 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 47 passed.

Clauses 48

The Clerk: Clause 48 Selection of probation officers

The Chairman: I recognise the Honourable Second Official Member.

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

Madam Chair, in accordance with Standing Order 52(1) and (2) I beg to move an amendment to clause 48. That is that clause 48 be amended as follows:

- in subclause (2) by inserting after the word "shall" the words ", as far as possible,"; and
- in sub-clause (3) by deleting the words "in Cabinet".

The Chairman: The amendment has been duly moved and is open for debate. Does any Member wish to speak thereto? *[pause]*

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 stands part of the clause.

Agreed: Amendment to clause 48 passed.

The Chairman: The question is that clause 48 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 48 as amended passed.

Clauses 49 through 50

The Clerk:

Clause 49	Contributions towards homes and hostels
Clause 50	Appointments

The Chairman: The question is that clauses 49 through 50 form part of the Bill. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clauses 49 through 50 passed.

Clause 51

The Clerk: Clause 51 Rules

The Chairman: I recognise the Honourable Second Official Member.

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

Madam Chair, in accordance with Standing Order 52(1) I beg to move that clause 51 be amended by deleting the words "in Cabinet" and by deleting paragraph (f).

The Chairman: The amendment has been duly moved and is open for debate. Does any Member wish to speak thereto? *[pause]*

If no Member wishes to speak, 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 stands part of the clause.

Agreed: Amendment to clause 51 passed.

The Chairman: The question is that clause 51 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 51 as amended passed.

Clause 52

The Clerk: Clause 52 Curfew orders and community service orders for persistent petty offenders

The Chairman: The question is that clause 52 stands part of the Bill. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clause 52 passed.

Clause 53

The Clerk: Clause 53 Victim impact statement

The Chairman: I recognise the Honourable Second Official Member.

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

Madam Chair, I beg to move that clause 53 be amended in subclause (8)(a) by inserting after the word "physical" the word "financial". Of course, Madam Speaker, a comma goes in front of the word "financial". So there is a comma and then the word "financial".

The Chairman: The amendment has been duly moved and is open for debate. Does any Member wish to speak?

If no Member wishes to speak, 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 stands part of the clause.

Agreed: Amendment to clause 53 passed.

The Chairman: The question is that clause 53 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 53 as amended passed.

Clause 54

The Clerk: Clause 54 Regulations

The Chairman: The question is that clause 54 stands part of the Bill. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clause 54 passed.

Clause 55

The Clerk: Clause 55 Repeal and consequential amendments

The Chairman: I recognise the Honourable Second Official Member.

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

Madam Chair, I beg to move in accordance with Standing Order 52(1) and (2) that clause 55 be amended by deleting subclause (3).

The Chairman: The amendment has been duly moved and is open for debate. Does any Member wish to speak thereto? *[pause]*

If no Member wishes to speak, 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 55 passed.

The Chairman: The question now is that clause 55 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 55 as amended passed.

Clause 56

The Clerk: Clause 56 Transitional

The Chairman: The question is that clause 56 stands part of the Bill. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clause 56 passed.

Schedule

The Clerk: The Schedule.

The Chairman: The question is that the Schedule do 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.

New Clause 53A and 54A

The Clerk: New Clause 53A.

The Chairman: Honourable Second Official Member.

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

Madam Chair, in accordance with Standing Order 52(1) and (2) I beg to move that the Bill be amended by inserting the following clause after clause 53, namely 53A: The marginal note reads, "Community service orders and Electronic monitoring."

"53A. Where a court, in dealing with a convicted person, imposes a community service order pursuant to section 42 of the Penal Code (2005 Revision) it may include requirements for securing the electronic monitoring of the convicted person's whereabouts while he is subject to such order; and the provisions of section 6 (2) and (3) shall apply for the purposes of this section."

The Chairman: The question is that this clause be read a second time. *[pause]* We have to try to get the procedure correct.

Madam Clerk.

New Clause 53A

The Clerk: New Clause 53A Community service orders and electronic monitoring

The Chairman: The 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 53A given a second reading.

New Clause 54A

The Clerk: New Clause 54A.

The Chairman: Honourable Second Official Member.

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

Madam Chair, in accordance with Standing Order 52(1) and (2) I beg to move that the Bill be amended by inserting the following clause after clause 54: Clause 54A, which reads: ["Assisting convicted person in contravening Law."]

"54A. Subject to section 6, a person who conspires with or assists a convicted person in preventing or defeating the execution of this Law or any order made by a court under this Law commits an offence and is liable on summary conviction to a fine of \$1000 and to imprisonment for one year."

Madam Speaker, just by rough clarification, yesterday during the Second Reading some Members raised the issue of whether there was enough enforcement mechanism within the Law itself to deal with persons who might, for whatever reason, try to assist others in defeating the objective of this legislation and hence the reason for this proposed Committee stage amendment.

Thank you.

The Chairman: Before I put the question on clause 54A, I need to put the final question on clause 53A.

The question is that this clause be added to the Bill as clause 53A, 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 53A passed and subsequent clauses to be renumbered.

The Chairman: Honourable Second Official Member, we need a copy of this 54A amendment so that we can read the marginal note. The copy that both the Clerk and I have, we are unable to read the note.

New Clause 54A

The Clerk: New Clause 54A Assisting convicted person in contravening law

The Chairman: The 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: Clause 54A given a second reading.

The Chairman: The question is that this clause be added to the Bill as clause 54A 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 54A added to the Bill and subsequent clauses renumbered.

The Clerk: A Bill for a Law to Reform the Law Relating to the Powers of Courts to Deal With Offenders and Defaulters and to the Treatment of Such Persons; to Give Effect to Recommendations of the Advisory Committee on Sentencing; and for Incidental and Connected Purposes.

The Chairman: I recognise the Honourable Second Official Member. You have an amendment in the long title, Sir, which I do not know if it is necessary or whether it should be in the short title. However, I am not the legal expert

Hon. Samuel W. Bulgin: Can I just . . . [pause]

The Chairman: I am sorry. I am on the wrong Law.

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 Drug Court Bill, 2006

The Clerk: The Drug Court Bill, 2006.

Clause 1

The Clerk: Clause 1 Short title and commencement

The Chairman: I recognise the Honourable Second Official Member.

¹**Hon. Samuel W. Bulgin:** Thank you, Madam Chair. Madam Chair, in accordance with Standing Order 52(1) and (2) I beg to move that the Bill be amended as follows: in the long title to the Bill by deleting the words “Drug Court” wherever they appear and substituting the words “Drug Rehabilitation Court”; and in clause 1(1) by deleting the words “Drug Court” and substituting the words “Drug Rehabilitation Court.”

The Chairman: I guess it is time for the Committee to give the Chairman a minute to look at these Standing Orders because I think it is something that when the title is being amended it comes at the conclusion of the proceedings. [pause]

Honourable Attorney General, can you lead me, please? Is the long title the title of the Bill, or is the short title?

Hon. Samuel W. Bulgin: Madam Speaker, it is the short title, but if you look at this particular proposed amendment you will see that in clause 1(1) by deleting the words “Drug Court” and substituting the words “Drug Rehabilitation Court” we are, in fact, amending the short title.

The Chairman: Right.

So my question should be on the short title, because what appears on the front of the Bill is not printed in a Law.

Hon. Samuel W. Bulgin: No.

The Chairman: So the short title is the actual title of the Law?

Hon. Samuel W. Bulgin: It is.

The Chairman: Clarity, if you do not mind.

Hon. Samuel W. Bulgin: It is. It is.

The Chairman: There is a little bit of confusion, actually, and I am here to be guided. To me, the commencement should have been clause 2: that we could take the amendment to the title at the end, but the commencement is a part of clause 1.

Hon. Samuel W. Bulgin: Madam Speaker, Standing Order 52(11): “**If any amendment to the title of a Bill is made necessary by an amendment to that Bill it shall be made at the conclusion of the proceedings detailed above**”—

The Chairman: Right.

Hon. Samuel W. Bulgin: . . . “**and no questions shall be put ‘That the title (as amended) stand part of that Bill’ . . .**”

My understanding is that if by virtue of amending a provision of the Bill, as a consequence you have to amend the title.

The Chairman: Right.

Hon. Samuel W. Bulgin: Then you do that at the end.

The Chairman: At the end.

Hon. Samuel W. Bulgin: That is right.

The Chairman: However, this is the consequence of an amendment, is it not?

Hon. Samuel W. Bulgin: Well, I am not so sure this is really consequential. What happened is the Cabinet deliberated on the title and was of the view that there is a possibility that it might sort of resonate the wrong way because the emphasis was on rehabilitation

¹ Please see Report on Bill at page 329

treatment as opposed to a court, as we understand in the generic sense.

The Chairman: Okay, I am guided by your legal expertise, Sir.

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—I am sorry. We will eventually get this straight, I guess. The amendment has been duly moved and is open for debate. Does any Member wish to speak? *[pause]*

If no Member wishes to speak, 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 stands part of the clause.

Agreed: Amendment to clause 1 passed.

The Chairman: The question now is that the clause 1 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 1 as amended passed.

The Chairman: This is how badly our Standing Orders need reviewing.

Clause 2

The Clerk: Interpretation

The Chairman: I recognise the Honourable Second Official Member.

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

Madam Chair, in accordance with Standing Order 52(1) and (2) I beg to move that clause 2(1) of the Bill be amended in the definition of “Drug Court” by deleting from paragraphs (a) and (b) the words “Drug Court” and substituting the words “Drug Rehabilitation Court”; and in the heading to Part II by deleting the words “The Drug Court” and substituting the words “The Drug Rehabilitation Court.”
[pause]

Hon. Samuel W. Bulgin: Just observing, Madam Chair, that in respect of, certainly, those definitions,

once the first amendment was made it could have been consequential.

The Chairman: Is there no way that at some point in time instead of us going through this line by line that we could say that wherever the words “Drug Court” appear other than so and so they shall be replaced with “Drug Rehabilitation Court”?

Hon. Samuel W. Bulgin: In effect, that is what we are saying.

The Chairman: The amendment has been duly moved and is open for debate. Does any Member wish to speak thereto? *[pause]*

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 stands part of the clause.

Agreed: Amendment to clause 2 passed.

The Chairman: The question now 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.

Agreed: Clause 2 as amended passed.

Hon. Samuel W. Bulgin: Madam Chair, can I now seek your guidance in respect of whether we should move to clause 7 and just treat the other matters appearing up to (f) as consequential amendments?

The Chairman: I am so confused here now it is not funny, because we would have to withdraw these amendments that have been circulated under Standing Order 52(1) and (2).

Hon. Samuel W. Bulgin: Well, Madam Chair, in that case—

The Chairman: For future reference I think we need to go the route that if we are going to replace “Drug Court” with the “Drug Rehabilitation Court” that wherever it appears in the Bill it be replaced. So you will have to go along, Honourable Second Official Member, unless you want to withdraw the one item that we have here. Unless you would like to move clause 3(1) and (2) by deleting the words “Drug Court” wherever they appear and substituting the words “Drug Reha-

bilitation Court” and do (e) and (f) together. Do you understand what I am saying?

Hon. Samuel W. Bulgin: I see. I see.

The Chairman: You just did the part 2 which is—I do not know what kind of question I am going to put on that—consequential.

Hon. Samuel W. Bulgin: Yes.

The Chairman: However, since you have circulated (e) and (f) that in clause 3(1) by deleting the words “Drug Court” and in clause 3(2) by deleting—just move the two of those together.

Hon. Samuel W. Bulgin: Thank you.

Madam Chair, in accordance with 52(1) and (2) I also move that in respect of clause 3 that clauses 3(1)(e) and 3(2) be amended by deleting the words “Drug Court” and substituting the words “Drug Rehabilitation Court”.

Thank you.

The Chairman: The amendment has been duly moved and is open for debate. Does any Member wish to speak thereto? *[pause]*

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 stands part of the clause.

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.

Agreed: Clause 3 as amended passed.

Clauses 4 through 6

The Clerk:

Clause 4	Jurisdiction of Drug Court
Clause 5	Sittings of Drug Court
Clause 6	Court proceedings

The Chairman: The question is that clauses 4 through 6 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 6 passed.

Clause 7

The Clerk: Clause 7 Drug Court officers

The Chairman: Honourable Second Official Member.

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

Madam Chair, in accordance with Standing Order 50(1) and (2) I beg to move that clause 7 be amended by deleting subclause (4) and substituting the following subclause –

“(4) A Duty Counsel shall be the legal advisor and legal advocate for a drug offender who is not otherwise legally represented; and, where an attorney-at-law has been appointed as Duty Counsel for a drug offender, the Duty Counsel may represent the drug offender unless the drug offender chooses to represent himself.”

The Chairman: The amendment has been duly moved and is open for debate. Does any Member wish to speak? *[pause]*

If no Member wishes to speak, 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 stands part of the clause.

Agreed: Amendment to clause 7 passed.

The Chairman: The question is that clause 7 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 7 as amended passed.

Clauses 8 through 9

The Clerk:

Clause 8	Eligible persons
Clause 9	Approved drug treatment centres

The Chairman: The question is that clauses 8 and 9 stand part of the Bill. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clauses 8 through 9 passed.

Clause 10

The Clerk: Clause 10 Procedure after arrest for relevant offence other than a scheduled offence

The Chairman: Honourable Second Official Member.

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

In accordance with Standing Order 52(1) I beg to move that clause 10 be amended by inserting after subclause (2) the following subclauses –

“(3) A magistrate or a Judge may – (a) in his discretion; or (b) pursuant to a recommendation by the Attorney-General under subsection (2)(b), by order direct that the person charged be referred to the Drug Court to be dealt with in accordance with section 12.

“(4) The Drug Court may, on the recommendation of the Attorney-General in relation to a person referred to it under subsection (3), defer the imposition of a sentence for the offence after a guilty plea.”

The Chairman: The amendment has been duly moved. Does any Member wish to speak thereto? *[pause]*

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 stands part of the clause.

Agreed: Amendment to clause 10 passed.

The Chairman: The question is that clause 10 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 10 as amended passed.

Clause 11

The Clerk: Clause 11 Procedure after arrest for scheduled offence

The Chairman: Honourable Second Official Member.

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

Madam Chair, I beg in accordance with Standing Order 52(1) and (2) to move an amendment to clause 11. That is by deleting clause 11 and substituting the following clause:

“11. Where a person is arrested and charged with a relevant offence that is a scheduled offence, the Attorney-General may, if satisfied that the person is eligible, recommend to a magistrate or Judge, as the case may be, that the person be referred to the Drug Court to be dealt with in accordance with section 12.

(2) A magistrate or a Judge may –

(a) in his discretion; or

(b) pursuant to a recommendation by the Attorney-General under subsection (1), by order direct that the person charged be referred to the Drug Court to be dealt with in accordance with section 12.

(3) The Drug Court may, on the recommendation of the Attorney-General in relation to a person referred to it under subsection (2), defer the imposition of a sentence for the offence after a guilty plea.”

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

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 stands part of the clause.

Agreed: Amendment to clause 11 passed.

The Chairman: The question is that clause 11 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 11 as amended passed.

Clause 12

The Clerk: Clause 12 Assessment of drug offender and determination of relevant offence

The Chairman: Honourable Attorney General.

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

Madam Chair, in accordance with Standing Order 52(1) and (2) I beg to move that clause 12(1) of the Bill be amended by deleting the words "under section 10 or brought before it pursuant to section 11" and substituting the words "under this Law".

The Chairman: The amendment has been duly moved. Does any Member wish to speak thereto? *[pause]*

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 stands part of the clause.

Agreed: Amendment to clause 12 passed.

The Chairman: The question is that clause 12 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 12 as amended passed.

Clause 13

The Clerk: Clause 13 Powers of Drug Court

The Chairman: Honourable Second Official Member.

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

Madam Chair, in accordance with Standing Order 52(1) and (2) I move that clause 13(1) be amended by deleting the words "under section 10 or 11" and substituting the words "under this Law".

The Chairman: The amendment has been duly moved. Does any Member wish to speak thereto? *[pause]*

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 stands part of the clause.

Agreed: Amendment to clause 13 passed.

The Chairman: The question is 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 through 17

The Clerk:

Clause 14	Conferral of rewards, or imposition of sanctions, upon drug offender
Clause 15	Statutory condition of prescribed treatment programme
Clause 16	Variation and revocation of conditions
Clause 17	Reports

The Chairman: The question is that clauses 14 through 17 form part of the Bill. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clauses 14 through 17 passed.

Clause 18

The Clerk: Clause 18 Termination of prescribed treatment programme

The Chairman: Honourable Second Official Member.

Hon. Samuel W. Bulgin: Thank you, Madam Chair. In accordance with Standing Order 52(1) and (2) I beg that clause 18 be amended by inserting after the words "if he is charged" the words "and convicted".

The Chairman: The amendment has been duly moved. Does any Member wish to speak thereto? *[pause]*

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 stands part of the clause.

Agreed: Amendment to clause 18 passed.

The Chairman: The question is that clause 18 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 18 as amended passed.

Clause 19 through 23**The Clerk:**

Clause 19	Procedure on termination
Clause 20	Payment for prescribed treatment programme
Clause 21	Register
Clause 22	Arrest warrant
Clause 23	Warrants of committal

The Chairman: The question is that clauses 19 through 23 form part of the Bill. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clauses 19 through 23 passed.

Clause 24

The Clerk: Clause 24 Immunity from self-incrimination

The Chairman: Honourable Second Official Member.

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

Madam Chair, in accordance with Standing Order 52(1) and (2) I move that clause 24 be amended in clause 24(1) by deleting the words "that person makes an admission" and substituting the words "that person makes, to the Drug Court, an admission".

The Chairman: The amendment has been duly moved. Does any Member wish to speak thereto? *[pause]*

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 stands part of the clause.

Agreed: Amendment to clause 24 passed.

The Chairman: The question is that clause 24 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 24 as amended passed.
Clause 25

The Clerk: Clause 25 Provision of information

The Chairman: Honourable Second Official Member.

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

Madam Chair, in accordance with Standing Order 52(1) and (2) I beg that clause 25(2)(b) be amended by inserting before the words "the information" the words "subject to subsection (3)"; [and That clause 25(2)(c) be amended by inserting before the words "a person" the words "subject to subsection (3)."]

The Chairman: The amendment has been duly moved and is open for debate. Does any Member wish to speak thereto? *[pause]*

If no Member wishes to speak, 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 stands part of the clause.

Agreed: Amendment to clause 25 passed.

The Chairman: The question 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.

Agreed: Clause 25 as amended passed.

Clauses 26 through 30**The Clerk:**

Clause 26	Amendment of Schedule
Clause 27	Savings of certain Laws
Clause 28	Rules
Clause 29	Regulations
Clause 30	Transitional provisions

The Chairman: The question is that clauses 26 through 30 stand part of the Bill. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clauses 26 through 30 passed.

Schedule

The Clerk: The Schedule.

The Chairman: The question is that the Schedule stand part of the Bill. All those in favour, please say Aye.

Some Hon. Members: Ayes—

The Chairman: Honourable Second Official Member, I think we have an amendment to the Schedule (I guess at this point we are all either hungry or asleep, both you and I!) inserting after the words “A MAGISTRATE” the words “OR A JUDGE”.

Hon. Samuel W. Bulgin: Madam Chair, I beg to move in accordance with 52(1) and (2) that in the heading of the Schedule by inserting after the words “A MAGISTRATE” the words “OR A JUDGE.”

Thank you.

The Chairman: The question is that the amendment stand part of the Schedule. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Amendment to Schedule passed.

The Chairman: The question is that the Schedule 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: Schedule as amended passed.

The Clerk: A Bill for a Law to Provide for the Establishment of a Drug Rehabilitation Court to Facilitate the Treatment and Rehabilitation of Persons who Commit Certain Drug Offences or Other Offences While Under the Influence of Drugs; to Provide for the Supervision of Such Persons While Undergoing Treatment Pursuant to a Programme Prescribed by the Drug 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 Bail (Amendment) Bill, 2006

Clause 1

The Clerk: Clause 1 Short title

The Chairman: The question is that clause 1 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 Amendment of section 7 – conditions of bail

The Chairman: Honourable Second Official Member.

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

Madam Chair, in accordance with Standing Order 52(1) and (2) I beg to move that clause 2 be amended by inserting in the following sub-clauses after subclause 4 –

“(5) A person who damages, destroys or tampers with any device used for or to facilitate his or any other person’s electronic monitoring commits an offence and is liable on summary conviction to imprisonment for 1 year and a fine of \$500.

“(6) Any document or information in relation to a person provided under electronic monitoring arrangements to which he is subject by the person responsible for such monitoring shall prima facie be admissible in any courts in the Islands.”

The Chairman: The amendment has been duly moved. Does any Member wish to speak thereto? *[pause]*

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 stands part of the clause.

Agreed: 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.

Agreed: Clause 2 as amended passed.

The Clerk: A Bill for a Law to Amend the Bail Law (2006 Revision) in Order to Widen the Conditions on the Grant of Bail; 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 now 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. The Bills will accordingly be reported to the House.

Agreed: Bills to be reported to the House.

The Chairman: The honourable House will resume.

House Resumed at 12.42 pm

The Speaker: Please be seated. Proceedings are resumed.

REPORTS ON BILLS

The Law Reform Commission (Amendment) Bill, 2006

The Clerk: The Law Reform Commission (Amendment) Bill, 2006.

The Speaker: Honourable Second Official Member.

Hon. Samuel W. Bulgin: Thank you Madam Speaker. I beg to report that a Bill entitled The Law Reform Commission (Amendment) Bill, 2006, was considered by a Committee of the whole House and passed without amendments.

The Speaker: The Bill has been duly reported and is set down for the Third Reading.

The Alternative Sentencing Bill, 2006

The Clerk: The Alternative Sentencing Bill, 2006.

The Speaker: Honourable Second Official Member.

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

I beg to report that a Bill entitled The Alternative Sentencing Bill, 2006, was considered by a Committee of the whole House and passed with several amendments.

The Speaker: The Bill has been duly reported and is set down for the Third Reading.

The Drug Rehabilitation Court Bill, 2006

The Clerk: The Drug Rehabilitation Court Bill, 2006.

The Speaker: Honourable Second Official Member.

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

I beg to report that a Bill entitled The Drug Court Bill, 2006, was considered by a Committee of the whole House and passed with several amendments.

The Speaker: Honourable Second Official Member, I believe the Clerk read "The Drug Rehabilitation Court Bill, 2006." Is there something missing from your copy?

Hon. Samuel W. Bulgin: Nothing is missing from my copy. Madam Speaker, I think what has happened is that a proposed committee stage amendment changed it to "Drug Rehabilitation".

Sorry, let me see. . .

Sorry, I will be guided by you, Madam Speaker.

I beg to report that a Bill entitled The Drug Rehabilitation Court Bill, 2006, was considered by a Committee of the whole House and passed with several amendments.

The Speaker: The Bill has been duly reported and is set down for Third Reading.

The Bail (Amendment) Bill, 2006

The Clerk: The Bail (Amendment) Bill, 2006.

The Speaker: Honourable Second Official Member.

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

I beg to report that a Bill entitled The Bail (Amendment) Bill, 2006, 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 the Third Reading.

² Please see Committee stage amendment at page 322.

THIRD READINGS

The Law Reform Commission (Amendment) Bill, 2006

The Clerk: The Law Reform Commission (Amendment) Bill, 2006.

The Speaker: Honourable Second Official Member.

Hon. Samuel W. Bulgin: I beg to move that a Bill entitled The Law Reform Commission (Amendment) Bill, 2006, be given a third reading and passed.

The Speaker: The question is that The Law Reform Commission (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 Law Reform Commission (Amendment) Bill, 2006, has been given a third reading and passed.

Agreed: The Law Reform Commission (Amendment) Bill, 2006, given a third reading and passed

The Alternative Sentencing Bill, 2006

The Clerk: The Alternative Sentencing Bill, 2006.

The Speaker: Honourable Second Official Member.

Hon. Samuel W. Bulgin: I beg to move that a Bill entitled The Alternative Sentencing Bill, 2006, be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled The Alternative Sentencing 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 Alternative Sentencing Bill, 2006, has been given a third reading and passed.

Agreed: The Alternative Sentencing Bill, 2006, given a third reading and passed

The Drug Rehabilitation Court Bill, 2006

The Clerk: The Drug Rehabilitation Court Bill, 2006.

The Speaker: Honourable Second Official Member.

Hon. Samuel W. Bulgin: I beg to move that a Bill entitled The Drug Rehabilitation Court Bill, 2006, be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled The Drug Rehabilitation Court 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 Drug Rehabilitation Court Bill, 2006, has been given a third reading and passed.

Agreed: The Drug Rehabilitation Court Bill, 2006, given a third reading and passed.

The Bail (Amendment) Bill, 2006

The Clerk: The Bail (Amendment) Bill, 2006.

The Speaker: Honourable Second Official Member.

Hon. Samuel W. Bulgin: I beg to move that a Bill entitled The Bail (Amendment) Bill, 2006, be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled The Bail (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 Bail (Amendment) Bill, 2006, has been given a third reading and passed.

Agreed: The Bail (Amendment) Bill, 2006, given a third reading and passed.

The Speaker: That concludes the orders of the day. I will entertain a motion for the adjournment of this honourable House.

ADJOURNMENT

Hon. D. Kurt Tibbetts: Madam Speaker, with your indulgence, there are still a few matters that have to be concluded before this meeting can end, and various schedules will not allow for us to reconvene again until the 28th. So, I will ask Members for patience and understanding, and move the adjournment of this honourable Legislative Assembly until Thursday, 28 September 2006, at 10 am.

The Speaker: The question is that this honourable House do now stand adjourned until 28 September 2006, at 10 am.

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

Ayes.

The Speaker: The Ayes have it. This honourable House stands adjourned until Thursday, 28 September 2006.

At 12.48 pm the House stood adjourned until Thursday, 28 September 2006, at 10 am.

OFFICIAL HANSARD REPORT
THURSDAY
28 SEPTEMBER 2006
10.33 AM
Sixth Sitting

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

The Deputy Speaker: I will invite the Second Elected Member for West Bay to grace us with prayers.

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 the 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 now 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 10.35 am

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

Apologies

The Deputy Speaker: I have received apologies for the absence of the Honourable Speaker, the Honourable Second Elected Member for Cayman and Little Cayman, the Honourable Leader of the Opposition, the Honourable First Elected Member for the district of Cayman Brac and Little Cayman and also apologies for late arrival of the Honourable First Official Member.

Condolences

At this time, on behalf of this honourable Legislative Assembly, I would like to express condolences to the family of the late Mr. Ira Walton, a past member of the Legislative Assembly and also the father of one of the members of staff, Ms. Kathleen Watson. On behalf of the House, we would like to express our sympathies and also pray God's love and support to them during this difficult time. Being a past member of the Legislative Assembly, it has been the practice to honour those members with a minute of silence. So now I would ask the honourable Members to stand for a moment of silence in his honour.

[Minute of silence observed]

**PRESENTATION OF PAPERS
AND OF REPORTS**

**The Annual Report of the University College of the
Cayman Islands for the year 2005/06**

The Deputy Speaker: I recognise the Honourable Minister of Education.

Mr. Alden M. McLaughlin: Thank you, Mr. Speaker.

I beg to lay on the Table of this honourable House The Annual Report of the University College of the Cayman Islands for the year 2005/06.

The Deputy Speaker: So ordered. Would the Honourable Minister wish to speak thereto?

Mr. Alden M. McLaughlin: No thank you, Sir.

**Report & Recommendation of the Minister Responsible for Lands – Vesting of Crown Land –
Block 15B Parcel 44 to Jan Tomaski**

The Deputy Speaker: I recognise the Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Mr. Speaker, I seek permission to lay on the Table of this honourable House one report of Crown property that has been prepared in accordance with the requirements of the Governor (Vesting of Lands) Law (1998 Revision).

The Deputy Speaker: So ordered. Would the Honourable Leader of Government Business wish to speak thereto?

Hon. D. Kurt Tibbetts: Thank you.

Mr. Speaker, I just want to confirm that, as required by the law, the details of this land matter have been published in the *Cayman Islands Gazette*, Extraordinary Issue No. 17/2006, dated 21 August 2006 and a local newspaper, namely the *Caymanian Compass*, on 16 August 2006.

Also as required by law, three valuations have been carried out on the subject property. Each valuation report forms part of the overall report, and provides a general indication of the value of the property that the Government now proposes to vest.

The report deals with the vesting of Block 15B Parcel 44 to one Jan Tomaski. This property is located on Hinds Way off Walkers Road in George Town. The parcel is approximately one-half an acre and was previously used as the Tiny Tots Nursery. By way of background, I would just take the opportunity to provide the following information:

In October 2002, following a request from the Ministry of Education, the above-mentioned property was a Crown buy- and lease-back arrangement, with Ms. Tomaski being the vendor and subsequent tenant. The property was purchased by the Government for \$300,000 and the lease was for four years at a rental of \$2,000 per month (or \$24,000 per annum) with the first year being rent free.

The property was badly damaged by Hurricane Ivan and the Tiny Tots Nursery has been closed ever since. In keeping with the terms of the agreement with Mrs. Tomaski, she was offered her option to acquire the property. Accordingly, after careful analysis and consideration, it was resolved that the property should be sold back to Mrs. Tomaski for CI \$215,600 plus stamp duty and registration fees.

Thank you very much, Mr. Speaker.

The 2nd Supplementary Annual Plan and Estimates for the Government of the Cayman Islands for the Financial Year ended 30 June 2006

The Deputy Speaker: I recognise the Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Mr. Speaker.

I beg to lay on the Table of this honourable House the 2nd Supplementary Annual Plan and Estimates for the Government of the Cayman Islands for the Financial Year ended 30 June 2006.

The Deputy Speaker: So ordered. Would the Honourable Third Official Member wish to speak thereto?

Hon. G. Kenneth Jefferson: Yes, thank you, Mr. Speaker, just briefly.

In accordance with Standing Order 67(1), the Supplementary Annual Plan and Estimates that have just been laid stand referred to Finance Committee.

As the Supplementary Annual Plan and Estimates will be considered in Finance Committee, I do not need to say anymore at this point, except, with your permission, Mr. Speaker, to move a motion in connection thereto.

I beg to move, pursuant to Standing Order 67(2), that Finance Committee approves the Schedule of Supplementary Appropriations Requested for 2005/6 shown in section 9 of those estimates that have just been laid on the Table of this honourable House.

Thank you, Mr. Speaker.

The Deputy Speaker: Thank you. That motion will be considered in Finance Committee.

Hon. G. Kenneth Jefferson: Yes, Mr. Speaker, thank you.

The Deputy Speaker: So ordered.

I received notice of two statements. I will now call on the Honourable Minister of Communications, Works and Infrastructure.

STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF THE CABINET

Update on Progress of the Extension to the Esterley Tibbetts Highway

Hon. V. Arden McLean: Thank you, Mr. Speaker.

It is with pleasure that I update the Members of this honourable House and the people of these Islands on the progress of the extension to the Esterley Tibbetts Highway.

As you will all be aware, the National Roads Authority (NRA)—and on one very important section of the highway the developers of the Ritz-Carlton Hotel—have worked tirelessly to prepare to open the newly constructed extension to the Esterley Tibbetts Highway for Monday, 4 September 2006. However, there has been some slippage from the previous date projected.

Despite the delays experienced (because of the shortage of materials and conditions beyond our control which prevented the earlier opening as we had optimistically envisaged), I am proud to inform this honourable House that we have reached our goal and carried out a soft opening of the Esterley Tibbetts Highway at 7 am this morning.

Many people were there to share in this long awaited and very timely event. I would like to go on record to state my most sincere gratitude to them for taking time out of their busy schedules, especially at such an early hour, to share in our happiness. Among those in attendance were His Excellency the Governor, the Leader of Government Business, Members of Cabinet, Members of the Legislative Assembly, the board of directors of the NRA and their staff, members of the public, and representatives from the various Ministries. Also sharing in this momentous occasion, were the daughter of the late Esterley Tibbetts, Mrs. Janet MacMillan, and her husband.

Limited traffic will be allowed to use the newly constructed highway at reduced speeds and during reduced hours. It has been decided in the interest of safety that these restrictions and other safety precautions be put into place. Additionally, there will be strategic access control that will be exercised throughout the length of the highway.

A traffic flow diagram explaining the turning movements for traffic entering and exiting the Esterley Tibbetts Highway at various points has been published in local newspapers. You would have read this today.

The motoring public is being provided with extensive media coverage on the safe, considerate and courteous use of the road and will be further aided by the liberal use of signs indicating what to do and what not to do.

Presently we are only using one lane northbound and one lane southbound in keeping with the lowered speed limit of 25 miles per hour (mph). In the near future, to facilitate even better traffic movement on the West Bay peninsula two lanes northbound and two lanes southbound will be constructed along the entire length of the Esterley Tibbetts Highway.

This is an historic occasion and gives this country cause to celebrate as it is the first time that a bridge has been incorporated into a major arterial road in the Cayman Islands. It is an excellent example of a public/private partnership and was made possible through the cooperative efforts of the National Roads Authority, the Cayman Islands Government and the developers of the prestigious Ritz-Carlton Hotel. We can use this as an example of how major infrastructural projects can be completed in the future.

It would be remiss of me not to publicly thank all those who assisted so ably with the construction of the roadway, and in particular, the staff of the NRA, suppliers of materials, subcontractors and utility providers who continue to work so diligently on the ongoing completion of the Highway.

Finally, I would like to thank the motoring public for being so patient while the ongoing completion of the Esterley Tibbetts Highway takes place. I would like to assure the residents of this country that this project will be completed.

This Government set out to alleviate traffic congestion, and we are still committed to this objective. Our Government, the private sector and the statutory authorities have combined efforts and resources to develop this ambitious project thus far. Together we will continue to build this country for the benefit of our people and the generations to come.

I believe that it would be prudent for me, at this time, to update the people of the eastern districts on the efforts by this Government to alleviate the traffic woes that exist on that end of the Island also.

The staff of the NRA is currently extending the merge lane in Savannah, where we believe the major traffic problems exist. While the permanent markings have not yet been completed, we have seen a marked improvement in the morning commuter traffic flow into George Town. I know that this is welcome by the residents of that side of the Island and I look forward to an even smoother morning commute earlier next week once the project has been completed.

I can further inform the people of the eastern districts that we are only weeks away from the commencement of construction of the section of the east/west arterial from Hirst Road to the Prospect area. It is anticipated that when completed this section of the road will serve to further alleviate traffic congestion and enhance development potential of previously inaccessible residential lands.

I encourage all to use these roads with courtesy and respect for other road users and to adhere to the speed limits. Public safety is everybody's business.

I thank you, Mr. Speaker.

The Deputy Speaker: I now recognise the Honourable Leader of Government Business.

“International Right to Know Day”

Hon. D. Kurt Tibbetts: Mr. Speaker, today we in the Cayman Islands are observing a new landmark on our calendar. It is an observation that puts us in league with a growing number of countries around the globe.

Today, 28 September, is the “International Right to Know Day”. It is a day in which people celebrate recognition of their right of access to information that is supported by legislation.

As I am sure Members of this honourable House are aware, last November I presented to this Legislative Assembly a draft Freedom of Information Bill as a discussion paper. Afterward, everyone on these Islands was given an opportunity (through public meetings and the invitation for written comments) to give input.

Despite the fact that our legislation is only in draft form at this point, we will welcome the opportunity to join organisations, such as the Commonwealth Human Rights Initiative, in observing this important day.

It is noteworthy that a vigilant international human rights watchdog organisation such as the Commonwealth Human Rights Initiative (or the CHRI as the acronym is referred to) found it important that we join them in this observance. That body has been following Cayman's progress toward our freedom of information legislation. Indeed, it singled us out for special mention. Here is what they said in a background document marking this day that was sent around the entire world. I will table the document upon reading it.

I quote: **"In particular, the Cayman Islands' move to ensure public consultation in the drafting process of the law reflects the government's commitment to ensuring stronger citizen participation."**

Mr. Speaker, CHRI is an organisation based in India. It promotes human rights through democracy and advocates that countries introduce freedom of information laws to give everyone extensive access to information on the workings of government.

The aim of "Right to Know Day" is to raise awareness of the right to information, which is central to good governance. It is a day on which freedom of information advocates from around the world can promote this fundamental human right and campaign for open, democratic societies that allow full citizen empowerment and participation in government.

Observance of this day had its beginnings on 28 September 2002, when Freedom of Information organisations from around the globe agreed to promote the individual right of access to information and open, transparent governance. At that time, they also agreed that 28 September be recognised worldwide as an "International Right to Know Day".

This Government fully embraces the public's right to know what their government is doing and how it is being done. Letting the sunshine in on government places true power in the hands of the people, where it rightly belongs, and it leads to proper decision making.

As far back as 1946 the United Nations General Assembly declared the right to information as a fundamental right and the touchstone to all freedoms consecrated by that world organisation. Sadly, many governments have displayed reluctance in giving backbone to that right through legislation. As a result, only some 65 nations around the world today have a law expressly saying that the public has a right of access to information.

I am informed that indeed some countries introduced such supportive legislation only because it was a condition insisted upon by international lending or donor organisations. In fact, this was a question we ourselves faced from members of the public when we took the draft bill to the community through district meetings.

The truth is that the Cayman Islands undertook a commitment to introduce a law explicitly spelling out the public's right to information at the urging of

no one. It was our decision—and ours alone—to embrace this fundamental right because we recognise that it takes the practice of democracy to a higher level. Transparency of administration of these beloved Isles is what is sought after by this Government.

Following the extensive public consultation exercise on freedom of information legislation, I look forward to bringing a revised bill to the Legislative Assembly later on this year for approval. That is why I rise today to announce, with pride, the inclusion of observation of the "Right to Know Day" on the calendar of the Cayman Islands.

Thank you, Sir.

GOVERNMENT BUSINESS

BILLS

FIRST READINGS

The Insurance (Amendment) Bill, 2006

The Deputy Speaker: The Bill is deemed to have been read a first time and is set down for the Second Reading.

The Mutual Funds (Amendment) Bill, 2006

The Deputy Speaker: The Bill is deemed to have been read a first time and is set down for the Second Reading.

The Maritime Authority of the Cayman Islands (Amendment) Bill, 2006

The Deputy Speaker: The Bill is deemed to have been read a first time and is set down for the Second Reading.

The Banks and Trust Companies (Amendment) Bill, 2006

The Deputy Speaker: The Bill is deemed to have been read a first time and is set down for the Second Reading.

GOVERNMENT BUSINESS

MOTIONS

Suspension of Standing Order 24(5)

The Deputy Speaker: I call on the Honourable Leader of Government Business for the suspension of Standing Order 24(5).

Hon. D. Kurt Tibbetts: Thank you.

Mr. Speaker, I beg to move the suspension of Standing Order 24(5) in order to enable a Government Motion to be dealt with during the current Meeting.

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. Standing Order 24(5) is suspended.

Agreed: Standing Order 24(5) suspended.

The Deputy Speaker: We have completed the business set out on the Order Paper. I recognise the Honourable Leader of Government Business for the motion for the adjournment.

ADJOURNMENT

Hon. D. Kurt Tibbetts: Thank you.

Mr. Speaker, craving your indulgence for just a second, we purposely set the Order Paper today not to be very lengthy in order to give all Members an opportunity to attend the funeral of Mr. Ira Walton, which will take place at three o'clock this afternoon at the George Town Seventh Day Adventist Church.

I do appreciate your willingness to allow us to adjourn early, Sir, so I move the adjournment of this honourable Legislative Assembly until 10 am tomorrow, 29 September.

The Deputy Speaker: The question is that this honourable House do now adjourn until 10 am tomorrow, 29 September. All those in favour, please say Aye. Those against, No.

Ayes.

The Deputy Speaker: The Ayes have it. This honourable House does now stand adjourned until tomorrow at 10 am.

At 12.48 pm the House stood adjourned until 10 am Friday, 29 September 2006.

OFFICIAL HANSARD REPORT
FRIDAY
29 SEPTEMBER 2006
10.33 AM
Seventh Sitting

The Speaker: I call on the Third Elected Member for the district of Bodden Town to say prayers.

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 10.35 am

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

Apologies

The Speaker: I have received apologies for absence from the Honourable Minister responsible for Communication, Works and Infrastructure; the Honourable Leader of the Opposition; the First Elected Member for Cayman Brac and Little Cayman and from the Second Elected Member for the district of Cayman Brac and Little Cayman.

**PRESENTATION OF PAPERS
AND OF REPORTS**

The 2nd Supplementary Annual Plan and Estimates for the Government of the Cayman Islands for the Financial Year ending 30 June 2007

The Speaker: Honourable Third Official Member.

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

I beg to lay on the Table of this honourable House the 2nd Supplementary Annual Plan and Estimates for the Government of the Cayman Islands for the Financial Year ending 30 June 2007.

The Speaker: So ordered. Does the Honourable Member wish to speak thereto?

Hon. G. Kenneth Jefferson: Briefly, Madam Speaker, thank you.

In accordance with Standing Order 67(1), the Supplementary Annual Plan and Estimates that have just been tabled stand referred to Finance Committee. As the Annual Plan and Estimates will be considered in Finance Committee, I do not need at this point to say anything further, except with your permission, Madam Speaker, to move a motion in connection thereto. *[pause]* Thank you, Madam Speaker.

Standing Order 67(2)

Hon. G. Kenneth Jefferson: I beg to move pursuant to Standing Order 67(2) that Finance Committee approves the Schedule of Supplementary Appropriations Requested for 2006/7 shown in section 6 of those estimates that have just been laid on the Table of this honourable House.

Thank you, Madam Speaker.

STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF THE CABINET

The Speaker: I recognise the Honourable Minister responsible for Education, Training, Employment, Youth, Sports and Culture.

Keeping Abreast of Cutting Edge Development in Education on the International Stage

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

Last week I travelled to the United Kingdom with the Ministry's Chief Officer, Mrs. Angela Martins, and Strategic Development Advisor for Education, Mr. Gareth Long, to capitalise on a number of opportunities coordinated by Mr. Long and Professor Stephen Heppell for the Ministry to gain valuable insight into cutting edge practices and developments in education.

Our full agenda started with a visit to Ercall Wood Technology College, recognised nationally in the UK for its impressive track record of significantly improving performance among students with learning and disciplinary difficulties.

Ercall Wood Technology College, which is located in Telford, has already established links with Cayman, having visited the Islands earlier this year and engaging regularly with high schools in Grand Cayman and Cayman Brac in video-conferencing sessions in which the schools discuss issues and share experiences and ideas. The principal, Mrs. Katy Owen-Reece, is also acting as a mentor for one of the school leaders on the George Hicks Campus.

While at Ercall Wood for a day and a half, we engaged in an intensive programme considering school leadership issues, receiving a tremendous number of inputs concerning current initiatives, and learning also how these work to help make Ercall Wood the successful school it is.

I should also add that Ercall Wood (which caters to students principally from the less affluent areas of Telford, many of whom have serious learning and disciplinary difficulties) has nonetheless achieved GCSE passes significantly above the national average for the United Kingdom.

We also visited a brand new school which opened earlier this month. Hadley Learning Village is a highly acclaimed new school in Telford which has been the subject of much media attention including television programmes. Here we were briefed extensively on building and design issues, which could require consideration for our new schools in Cayman.

We also visited a very impressive primary school called Lawley Primary School. The whole school—buildings, Head Teacher and staff—had adopted a totally child-centred approach to learning. It is a place where children really want to learn and

where achievements are truly celebrated. This is a school we will be well served to keep in contact with.

From Telford we flew to Glasgow, Scotland, and Glasgow Caledonian University there provided us with insight into a newly opened student study centre—easily the most impressive building we visited. The fantastic use of multipurpose spaces and total focus on learning provided an affirmation that our vision for the new schools in Cayman is indeed the right one.

Our visit continued with a trip to Stepping Stones School in Surrey, a tiny school for just four students currently, and this gave us many ideas about the use of technology to support learning and also to provide broad access to lessons and resources outside the physical school. We have a school of this size in the form of the Little Cayman Education Service.

While there, we took part in a video-conference link with an impressive fast-growing school called Reece College, which is located in Tasmania, Australia. Via this experience we were able to gain insight on developments and education on the other side of the world. Our visit also afforded us the opportunity in another UK school to see how one of the "Classrooms of the Future", designed by Professor Heppell, is put to best use in teaching and learning.

We then went on to Stansted where we visited the headquarters of the Notschool project now catering for 2,500 students who are permanently excluded from the mainstream school system. These students are engaged in a remarkable range of activities using online and home-based virtual learning on personalised project work. With a success rate of over 56 per cent for five high-grade GCSE passes, the students achieve at as high a level, if not higher, than the national UK average for normal schools.

What is amazing about this is that all of these young people would not have finished high school, period, were it not for the Notschool project. The fact that about 56 per cent of them now go on to college and about 10 per cent go on to universities is, to my mind, absolutely amazing.

The school has only been in operation for about five years. It has given us food for thought in considering what we do in the future in relation to our young people who have been excluded from the main school system and placed in an alternative education centre.

The UK Government Department of Education and Skills met with us to explore their schools of the future programme and share experiences that had gone well and those things that they wish they had done differently.

Teachers Television is a tremendous resource for teachers and marked the final stop of our visit. One of the subjects they are currently making programmes about while filming in the United States is that of schools splitting into smaller units, reminiscent of the recent restructuring of George Hicks High School.

Upon learning about our work on the George Hicks Campus, the programme makers expressed extreme interest in our experiences and they are exploring the possibilities of a visit to Cayman as early as next spring to film programmes about the work that we are undertaking here.

In conclusion, I want to say this was an extremely worthwhile and very intensive visit. There was much to learn to benefit our schools in Cayman, and I look forward to sharing our experiences with education professionals locally.

I have another two statements to make.

Working with the University of the West Indies to Strengthen Partnerships in Tertiary Education

I would like to advise this honourable House that next week the new Vice Chancellor for the University of the West Indies (UWI), Professor E. Nigel Harris, will visit the University College of the Cayman Islands (UCCI) to join with me, as well as other senior representatives of government, the education system and the private sector, for a review of the tertiary education offering in the Cayman Islands, and avenues to improvement to help meet the human resources development needs of our jurisdiction.

Professor Harris will be accompanied by a host of senior representatives from UWI for an agenda which will include:

- Position Statements from senior government and education officials on Human Resource Development needs and institutional priorities;
- UWI Tertiary Level Institutions Unit Report on Human Resource Development Needs;
- Open discussion of perceived HR needs;
- Options for Tertiary Education in the Cayman Islands;
- Group discussions on partnerships for meeting workforce training, undergraduate and postgraduate needs, the development of open and distance education and financial issues in tertiary education development;
- Reports on group discussions and comments;
- Partnerships in Human Resource Development; and
- The next steps for the formulation of an action plan to achieve the goals identified during the sessions.

Professor Harris is currently meeting with representatives of the twelve countries who do not have a UWI campus but who own and support the University, of which the Cayman Islands is one. His objective is to redress an imbalance in the University's contribution to the region, which is currently heavily biased toward the three countries which do have a UWI campus. He is looking to review with each country their national need and projections, and establish to what extent the University of the West Indies can make a contribution.

Tertiary education will play a key role in the successful reformation of our education system and

the long-term development needs of the Cayman Islands. It must provide continuity and relevance in its role as the bridge between compulsory education and the labour market. It must seek also to develop programming, which is varied enough in scope to adequately provide equity in the availability of opportunities for all of our school leavers and the training needs of the workforce alike.

The Cayman Islands can look upon this as an opportunity to develop a productive working relationship with the University of the West Indies, and capitalise on the benefits of being part of a growing network of reputable educational institutions across the region which can provide access to shared knowledge, insight, experience and resources.

The final statement, Madam Speaker:

The Appointment of a Specialist Consultancy Firm to Review the Operations of the Department of Employment Relations

I am pleased to report to this honourable House that the Ministry of Education, Training, Employment, Youth, Sports and Culture has finalised the criteria for the appointment of a specialist firm to review the scope of services offered by the Department of Employment Relations. Invitations to tender are being advertised this week, starting from yesterday.

The appointed firm will assist the Ministry in determining the strategic direction and priorities for the Department of Employment Relations and to ensure that the Department processes the operational capacity to achieve its goals.

Upon submission of its findings we, the Ministry in partnership with the Department of Employment Relations, will be in a position to bring about the enhanced provision of employment services to employers and employees in the Cayman Islands. Specifically, the successful firm will focus on:

- Strategic Direction – The determination of a direction for the future development of the Department of Employment Relations, in line with best international practice and the particular needs of the Cayman Islands; and recommendations on the adjustment of Departmental outputs accordingly;
- Organisational Structure and Capacity – The establishment of an appropriate structure, or structures, for the Department's various activities and functions, which identifies the levels of skill and other resources, including information technology requirements necessary for each function to be provided in an efficient and effective manner;
- Legislative Framework – The assessment of the adequacy of the existing legislative framework for labour in the Cayman Islands, with reference to the proposed strategic direction, the particular requirements of the Cayman Islands labour mar-

ket and the need to align domestic legislation with relevant international obligations;

- Implementation Plan – The production of an implementation plan and timetable.

Details on the submission and processing of applications can be found on the tenders section of the Ministry website, www.brighterfutures.gov.ky, or in local media.

Thank you, Madam Speaker.

GOVERNMENT BUSINESS

BILLS

SECOND READINGS

The Insurance (Amendment) Bill, 2006

The Clerk: The Insurance (Amendment) Bill, 2006.

The Speaker: The Honourable Third Official Member.

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

I beg to move the Second Reading of a Bill entitled The Insurance (Amendment) Bill, 2006.

The Speaker: The motion has been duly moved and is open for debate. Does the Honourable Member wish to speak thereto? Honourable Third Official Member.

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

The Bill that is now before this honourable House seeks to amend the Insurance Law (2004 Revision), which I shall refer to as the “principal Law”.

The Bill now before the House addresses two main matters: (1) A priority regulatory matter arising from an internal review of the Law by the Cayman Islands Monetary Authority (CIMA) under the auspices of the Insurance Working Group; and (2) a priority commercial upgrade that has been requested by the private sector.

I would like to note that a further amendment bill on the Insurance Law will be brought before this honourable House at a later date that will address other matters identified as requiring improvement, but it was considered advisable to bring these particular matters in this Bill now.

The regulatory matter is dealt with in clause 3 of the Bill, and the main purpose of this clause is to strengthen the provisions in section 7(1) of the principal Law governing the operation of approved external insurers—that is, branches of foreign insurance companies that write policies in the domestic market. Perhaps the best known example of that type of external insurer would be Doyle.

The strengthening that is spoken now consists of: (1) requiring that such companies keep, upon a formal trust arrangement, and pursuant to a trust deed approved by CIMA, the funds they are required to keep under the principal Law; and (2) by expressly providing that such funds can only be used to discharge the insurer's obligations in respect of its domestic (that is, Cayman Islands) business.

The “**Except as otherwise approved by the Authority . . .**” in the opening to the proposed new section 7(1) as detailed in clause 3 is to give CIMA the ability to approve an arrangement other than a trust arrangement where an existing approved external insurer may have a fully equivalent form of protection in place.

Clause 3 at item 7(8)(c) was intended to simply repeat with a subsection numbering change what is in the principal Law is current section 7(6)(c). Due to an error, the current wording in the present Bill reflects actually the language contained in the 2003 Revision of the Insurance Law. I had previously circulated a Committee stage amendment which proposes to remove that 2003 Revision language and replace it with what was intended, that is, the 2004 Revision language.

The commercial upgrade requested by industry is dealt with in clause 6(e) of the Bill, and clause 6(a) is also a slight mistake. It is actually meant to be clause 4, a simple numbering mistake.

The purpose of the provision is to put beyond doubt that the persons entitled to insurance policy proceeds are the policy holders or any beneficiaries under the insurance policies. This brings our legislation into commercial mainstream.

As a matter of sound public policy, the provisions in clause 6(a) have been designed to enable the Fraudulent Dispositions Law to apply so that if there was any intent to defraud a creditor, the creditor is entitled to claim a sum equal to the policy premiums.

To conclude, this Bill deals with a priority regulatory matter and it is also responsive to the industry's commercial needs. I would therefore commend the Insurance (Amendment) Bill, 2006, to this honourable House for passage.

Thank you, Madam Speaker.

The Speaker: Does any other Member wish to speak? *[pause]* 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, only to thank all honourable Members for their silent support.

The Speaker: The question is that a Bill shortly entitled The Insurance (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. The Insurance (Amendment) Bill, 2006, has been read a second time.

Agreed: The Insurance (Amendment) Bill, 2006, read a second time.

The Mutual Funds (Amendment) Bill, 2006

The Clerk: The Mutual Funds (Amendment) Bill, 2006, Second Reading.

The Speaker: Honourable Third Official Member.

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

I beg to move the Second Reading of a Bill entitled The Mutual Funds (Amendment) Bill, 2006.

The Speaker: The motion has been duly moved. Does the Honourable Third Official Member wish to speak thereto?

Hon. G. Kenneth Jefferson: Yes, Madam Speaker.

The Bill that is now before this honourable House seeks to amend the Mutual Funds Law (2003 Revision), and again I shall refer to this as being the principal Law.

The Bill addresses regulatory matters that arose from the International Monetary Fund (IMF) assessment that was conducted in 2003, and that assessment was published in 2005. It also reflects changes put forward as a result of an internal review of the principal Law by the Cayman Islands Monetary Authority (CIMA), as well as a number of commercial and regulatory matters raised by the Mutual Funds Working Group in its 2004 report that were accepted for implementation.

The Portfolio of Finance and Economics put the provisions in this Bill out for industry consultation, and the Bill takes account of the comments received as well as additional modifications requested by CIMA.

The regulatory matters are dealt with in clauses 4 to 12 of the Bill and the main changes are made as follows:

1. The minimum subscription for registered funds is increased to \$80,000. That is proposed in clause 3(a). Presently, that figure is \$40,000.
2. To remove CIMA's power to allow persons in certain circumstances to undertake fund administration without a licence.

The use of that particular power has been discontinued for several years and therefore the proposal is to actually accord with what happens in reality that that provision is not used.

It also seeks in clause 8 the inclusion of a provision paralleling that in other regulatory laws setting out CIMA's general supervisory responsibilities and functions in relation to the Mutual Funds sector.

Clause 12 of the Bill relates to provisions dealing with auditors' obligations. I had previously circulated a proposed Committee stage amendment to clause 12, very simply that the word "omission" was missed in one of the sections in clause 12. I would propose to deal with that in Committee stage.

The main commercial matter that is addressed in the Bill is dealt with in clause 3(b) and (c), and that is the removal of the requirement to register foreign domiciled funds with CIMA. The Fund Administrators Association has made strong representation to Government on the inhibiting effect this requirement has on the ability of Cayman administrators to compete successfully for fund administration business because few, if any, other jurisdictions impose such a requirement. Indeed there are very few foreign funds currently registered with CIMA.

The removal of the requirement to register foreign funds does not prejudice or adversely affect our regulatory regime. In fact, it improves a somewhat uncomfortable position for CIMA since the jurisdiction of domicile and not one of registration has the main regulatory purchase. However, and very importantly, Cayman fund administrators remain obligated to apply Anti-Money-Laundering and the Combating of Financing of Terrorism requirements to all funds they administer, whether foreign, domiciled or otherwise.

The Bill in clause 6 would seek to amend section 16 of the principal Law by expanding the requirements on administrators so that they cover any administration services they provide to any fund; and to allow CIMA to specify acceptable jurisdictions of origin for foreign domiciled funds. This is likely to correspond with the list of jurisdictions in the Third Schedule to the Money Laundering Regulations 2006.

The removal of the requirement to register foreign funds is approached in a way that also deals with an issue raised by the IMF and the Mutual Funds Working Group. That is that the Mutual Funds Law needs to better articulate the distinction between public and non-public funds.

The Bill in clause 2 introduces into the Mutual Funds Law a definition of "public in the Islands" which is derived from existing definitions in the Exempted Limited Partnerships Law and the Securities Investment Business Law, which in turn enables a regulatory distinction to be made in relation to retail funds or public funds being sold domestically to the public whether they are Cayman funds or foreign funds. As is typical with and appropriate for retail products, such a distinction involves heavier regulation in relation to public or retail funds.

In relation to foreign funds, the amendment Bill allows foreign domiciled funds that do not market their securities to the public in the Islands to be administered by Cayman administrators without having

to register with CIMA; and allows that same waiver for foreign funds that do so market their products but which meet strict regulatory equivalence conditions. These are set out in clause 3 at item 4(b), that is, the foreign fund must be sold by or through a service provider regulated under the Securities Investment Business Law and the foreign fund must either be listed on a recognised stock exchange or regulated for as a mutual fund by a regulator and in a jurisdiction that is acceptable to CIMA.

The Bill has also had the benefit of extensive consultation, and this will put us in good stead for the follow-up assessment in due course by the IMF as agreed by the Cayman Islands.

I therefore commend the Mutual Funds (Amendment) Bill, 2006 to this honourable House.

Thank you.

The Speaker: Does any other Member wish to speak? *[pause]* 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, once again to say thanks to all honourable Members for their support.

The Speaker: The question is that the Mutual Funds (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. The Mutual Funds (Amendment) Bill, 2006, has been given a second reading.

Agreed: The Mutual Funds (Amendment) Bill, 2006, read a second time.

The Maritime Authority of the Cayman Islands (Amendment) Bill, 2006

The Clerk: The Maritime Authority of the Cayman Islands (Amendment) Bill, 2006, Second Reading.

The Speaker: Honourable Third Official Member.

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

I beg to move the Second Reading of a Bill entitled The Maritime Authority of the Cayman Islands (Amendment) Bill, 2006.

The Speaker: The motion has been duly moved and is open for debate. Does the Honourable Third Official Member wish to speak thereto?

Hon. G. Kenneth Jefferson: Yes.

The Speaker: Honourable Third Official Member.

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

The Bill that is now before this House seeks to amend the Maritime Authority of the Cayman Islands Law, 2005, the "principal Law".

Streams of revenue to Government and its Statutory Authorities and companies can be conveniently classified into two broad categories: coercive revenue and entity revenue.

The Public Management and Finance Law defines "coercive revenue" as revenue earned using the coercive power of the state and it is characterised by there being no direct exchange for service in response to the monies paid. Two good examples of such coercive revenue would be all the various types of import duties and stamp duties on land transfers.

"Entity revenue", on the other hand, means revenue earned by an entity from the production of outputs or from any of its other activities. Entity revenue is characterised by there being a direct receipt of service in return for monies paid by the purchaser. One particular item of revenue, ship registration fees collected by the Maritime Authority by virtue of section 2 of the principal Law, was classified as being entity revenue.

Upon further reflection, it was determined that ship registration fees were better classified as coercive revenue, because such fees did not involve the direct exchange of service.

Accordingly, financial regulations made under the Public Management and Finance Law were amended to reflect this change. What remained to be done was to change the principal Law to reflect this re-classification and that is the main purpose of this Bill, Madam Speaker.

The change is effected by clause 2 of the Bill. The Bill is therefore a 'housekeeping' amendment to change the current definition of "non-coercive revenue" in the principal Law to be consistent with financial regulations made under the Public Management and Finance Law.

The Bill also proposes a consequential amendment to section 13(1) of the principal Law and that would remove the reference to the Merchant Shipping Fees Regulations, 2005, because those regulations have been superseded by the Merchant Shipping Registration Fees Regulations, 2006.

I commend the Maritime Authority of the Cayman Islands (Amendment) Bill, 2006, to all honourable Members of this House for passage.

Thank you.

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

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Only to once again thank all honourable Members for their support.

The Speaker: The question is that a Bill shortly entitled The Maritime Authority of the Cayman Islands (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. The Maritime Authority of the Cayman Islands (Amendment) Bill, 2006, has been read a second time.

Agreed: The Maritime Authority of the Cayman Islands (Amendment) Bill, 2006, read a second time.

The Banks and Trust Companies (Amendment) Bill, 2006

The Clerk: The Banks and Trust Companies (Amendment) Bill, 2006, Second Reading.

The Speaker: Honourable Third Official Member.

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

I beg to move the Second Reading of a Bill entitled The Banks and Trust Companies (Amendment) Bill, 2006.

The Speaker: The motion has been duly moved and is open for debate. Does the Honourable Third Official Member wish to speak thereto?

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

The Bill that is now before the House seeks to amend the Banks and Trust Companies Law (2003 Revision), the principal Law.

The Bill addresses regulatory matters arising from the IMF assessment that was conducted in 2003 and from an internal review of the Law by the Cayman Islands Monetary Authority (CIMA). It also reflects a commercial upgrade requested by the private sector.

The Portfolio of Finance and Economics has put the regulatory provisions out for industry consultation and the Bill now before this honourable House takes account of the comments received, as well as additional modifications requested by CIMA.

The regulatory matters are dealt with in clauses 5 to 10 of the Bill. In summary, these clauses introduce:

- In clause 5, capital fund requirements and capital adequacy ratios for relevant licencees;
- In clause 6, provisions relating to the obligations of auditors and other obligations in other regulatory laws;
- Clause 7 relates to provisions on permitted net worth gearing for banks;
- Clause 8 pertains to provisions requiring trust companies to segregate assets and liabilities and carry adequate professional indemnity insurance;
- Clause 10 is in respect of provisions permitting the authority to be notified of and participate in a petition for the winding-up of a licensee where that is made by a person other than the Authority itself.

I have proposed a Committee stage amendment in relation to clause 7, provision on the net worth, to make it clear that assets that banks may hold in their capacity as a trustee in the course of a trust business do not count for the purposes of the 20 per cent net worth stipulation.

The commercial upgrade requested by industries dealt with in clauses 2 and 3 of the Bill: As the principal Law currently stands, trust businesses involved with the narrow activity of issuing debt instruments on institutional deals are technically required to be licensed. In other jurisdictions this is not required, and in analysing the matter and in consultation with CIMA, it is considered that with certain statutory controls the low regulatory risk involved in this activity makes it appropriate to subject it to a registration regime instead of a licensing one. Clause 3(2b) of the Bill so provides.

The controls as contained in the clause 2 definition of a control subsidiary and into clause 3(c), activity restriction, are as follows: No trust company other than a controlled subsidiary is permitted to be a registrant. A control subsidiary must be a Cayman Islands company that is a wholly owned subsidiary of an unrestricted trust company licensee and have directors and senior officers already approved as fit and proper by CIMA to be directors or senior officers of an unrestricted trust company. The only permitted activity is the issue of debt instruments.

This Bill has had the benefit of extensive consultation. It is responsive to the industry's commercial needs and it will also put us in good standing for the follow-up assessment in due course by the IMF, which has been agreed to by the Cayman Islands.

I would therefore commend the Banks and Trust Companies (Amendment) Bill, 2006, to this honourable House for passage.

Thank you, Madam Speaker.

The Speaker: Does any other Member wish to speak? *[pause]* If no other Member wishes to speak, does the Honourable Third Official Member wish to exercise his right of reply?

Hon. G. Kenneth Jefferson: Just once again to thank all honourable Members for their silent support.

The Speaker: The question is that a Bill entitled The Banks and Trust Companies (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. The Banks and Trust Companies (Amendment) Bill, 2006, has been given a second reading.

Agreed: The Banks and Trust Companies (Amendment) Bill, 2006, read a second time.

The Speaker: I am going to ask for the suspension at this time because I am not aware as to whether the amendments that are being proposed by the Honourable Third Official Member have been accepted by the Deputy Speaker, or were they accepted prior to this, to all the Bills?

Honourable Third Official Member, are you aware as to whether they have been accepted prior?

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

What I can say is that the proposed Committee stage amendments were physically sent to the Legislative Assembly in advance, obviously of today. I have not received any adverse comments that they were not acceptable, so they were sent to the Legislative Assembly.

The Speaker: Honourable Third Official Member, I understand what you are saying but, as you know, both the Speaker and the Deputy Speaker were off Island at a conference and I am trying to ascertain as to whether anyone has approved these amendments.

Proceedings will be suspended for 15 minutes.

House suspended at 11.18 am

House resumed at 11.42 am

The Speaker: Please be seated. The House will now go into Committee.

House in Committee at 11.43 am

COMMITTEE ON BILLS

The Chairman: Please be seated. The House is now in Committee.

I assume, with the leave of the House 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 please state the Bill and read the clauses?

The Insurance (Amendment) Bill, 2006

Clauses 1 and 2

The Clerk:

Clause 1	Short title
Clause 2	Amendment of section 2 – definitions

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.

Clause 3

The Clerk: Clause 3 Repeal and substitution of section 7 – general requirement for licensed insurers

The Chairman: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Chair.

I, the Third Official Member, move the following amendments to the Insurance (Amendment) Bill, 2006: That the Bill be amended in clause 3, in relation to clause 7(8) therein, by deleting in the chapeau the number “(4)” and substituting the number “(6)”; and deleting paragraph (c) and substituting the following -

“(c) every such insurer carrying on long term business may establish any number of separate accounts in respect of contracts to pay annuities on human life and contracts of insurance on human life, the assets relating to which shall be kept segregated one from the other and independent of all other assets of the insurer, and, notwithstanding any other law to the contrary-

- (i) separate accounts shall not be chargeable with any liability arising from any other business (including other types of long term business) of the insurer and no liabilities shall be satisfied out of the assets standing to the credit of the relevant separate account apart from those liabilities arising from the contract for which the separate account was established or liabilities relating specifically to the operation of the separate account;
- (ii) the assets of a separate account shall include all premiums paid with respect

to the contract for which the separate account was established and all interest, earnings and assets derived therefrom; and

- (iii) any claim of the insurer under a contract of reinsurance taken out by the insurer in respect of a contract for which a separate account has been established shall be deemed to be an asset of the relevant separate account to the extent only that the insurer fails to meet its obligations under the relevant contract and upon payment of any amount due under such contract or reinsurance shall be immediately credited to the relevant separate account, whether the insurer is solvent or not.”

Madam Chair, just for the benefit of the Committee, the reason for that very long proposed amendment is that the wording in the current Bill (as I said in Legislative Assembly mode) reflects the language in the 2003 Insurance Law, and that was not the intention when the Bill was drafted. The intention was to reflect the language in the 2004 Revision of the Insurance Law and the amendment that I just proposed does exactly that. It incorporates or uses the language in the 2004 Revision of the Law.

Thank you.

The Chairman: Honourable Third Official Member, it says that the Bill be amended in clause 3, in clause 7(8). Can you explain that to the Committee?

Hon. G. Kenneth Jefferson: Yes, Madam Chair.

If we go to page [4] of the Bill, Madam Speaker, clause 3 in the Bill says that the principal Law is amended by repealing section 7 (that would be section 7 of the principal Law, the Insurance Law (2004 Revision)) and substituting the following—

Then we go to the next page [5] of the Bill. The “7” that appears at the top would be what is intended to become section 7 of the Law.

I too, Madam Chair, when I first read it was a bit perplexed by the use of the language in the amendment. However, in clause 3 what is—and the subsequent reference to clause 7(8) really is referring to the proposed section 7(8) in the new Law that would result as a result of this Bill. So clause 3, Madam Chair, would insert as a new clause 7, and then clause 7 has a number of different parts to it.

So on page [5] we have what is proposed to be section 7(1), and that is all on page [5]. Then the Bill goes on page [6] to what is to be section 7 (2), (3), (4), (5) et cetera, of what is to become an amendment to the principal Law.

Then on page [7] of the Bill, Madam Chair, we get (6), (7) and (8), and those are subclauses of what is intended to be section 7. The particular amendment that I just read was, specifically—the first one was in

relation to subclause (8), where it makes reference to subsection (4). The proposed amendment was to change that to subsection (6).

Then the substantive proposal, Madam Chair, was in respect of item 7(8)(c) at the bottom of page [7] where it starts “**every such insurer carrying on long term business . . .**” et cetera. That portion, which goes on for quite some time, is the language in the 2003 Revision of the Insurance Law, and that was not the intention. The intention was that the Bill at this particular item, 7(8)(c), should be reflective of the language in the 2004 Revision. The amendment that I read actually uses the language directly from the 2004 Revision of the Law.

Thank you, Madam Chair.

The Chairman: I am a little bit even further lost now, but I leave it to the legal luminaries of the Government that we are correct in the way we are stating this, because I am trying to understand what you are saying but . . . [pause]

The amendment has been duly moved. Does any Member wish to speak thereto? [pause] I agree with you one hundred per cent because that the Bill be amended in clause 3, in clause 7(8) therein, I mean, that is two different clauses, be amended in clause 7 but . . .

If no Member wishes to speak . . . [pause] If no Member wishes to speak, does the Honourable Third Official Member wish to exercise his right of reply? I do not even know if that is the right question—

Hon. G. Kenneth Jefferson: Madam Chair, just to say thanks and to also say that I have just conferred very briefly with the Honourable Attorney General and we are content that the amendment as proposed is accurate.

Thank you, Madam Chair.

The Chairman: Honourable Third Official Member, I would never judge the accuracy based on the honourable Attorney General and his staff.

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 stands part of the clause.

Agreed: Amendment to clause 3 passed.

The Chairman: The question now is that clause—

Hon. Samuel W. Bulgin: Madam Speaker—Madam Chair, that was said off the record, I take it.

The Chairman: I do not think we record this.

[Laughter]

The Chairman: Would you like me to have it recorded? I have the greatest of respect for you, Sir.

The question 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. The clause as amended stands part of the Bill.

Agreed: Clause 3 as amended passed.

Clause 4

The Clerk: Clause 4 Insertion of sections 15A and 15B – accrual of benefits

The Chairman: The question is that clause 4 stand part of the Bill. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clause 4 passed.

The Clerk: A Bill for a Law to Amend the Insurance Law (2004 Revision) to Enable the Protection of Proceeds to be Paid to Beneficiaries; 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 Bill be reported to the House. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it. The Bill will accordingly be reported to the House.

Agreed: Bill to be reported to the House.

The Mutual Funds (Amendment) Bill, 2006

Clauses 1 through 11

The Clerk:

Clause 1	Short title
Clause 2	Amendment of section 2 of the Mutual Funds Law (2003 Revision) – definitions
Clause 3	Amendment of section 4 – regulated mutual funds
Clause 4	Amendment of section 8 – annual audit of regulated mutual fund
Clause 5	Repeal and substitution of section 10 – person to be authorised to administer mutual funds
Clause 6	Repeal and substitution of section 16 – licensed mutual fund administrators to be satisfied in respect of mutual funds
Clause 7	Amendment of section 20 – licensed mutual fund administrators to have annual audit
Clause 8	Amendment of section 29 – Authority to administer Law
Clause 9	Amendment of section 30 – powers of Authority in respect of regulated mutual funds
Clause 10	Amendment of section 31 – powers of Authority in respect of licensed mutual fund administrators
Clause 11	Insertion of section 31 A – Authority may attend winding-up proceedings

The Chairman: The question is that clauses 1 through 11 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 11 passed.

Clause 12

The Clerk: Clause 12 Repeal and substitution of section 34 – obligation of auditors

The Chairman: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Chair.

I, the Third Official Member, move the following amendment to the Mutual Funds (Amendment) Bill, 2006: That clause 12 of the Bill be amended in the new section 34(6) proposed for insertion in the principal Law by inserting after the words “the act” the words “or omission”.

Thank you, Madam Chair.

The Chairman: The amendment has been duly moved. Does any Member wish to speak thereto? [pause] If no Member wishes to speak, Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Just to thank honourable Members for their support.

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. The amendment stands part of the clause.

Agreed: Amendment to clause 12 passed.

The Chairman: The question now is that clause 12 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 12 as amended passed.

Clause 13

The Clerk: Clause 13 Savings and transitional provisions

The Chairman: The question is that clause 13 form part of the Bill. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clause 13 passed.

The Clerk: A Bill for a Law to Amend the Mutual Funds Law (2003 Revision) to Make Further Provision with Respect to the Powers and Functions of the Cayman Islands Monetary Authority and the Conduct of Business in the Islands by Mutual Funds; and to Make Provision for Related Matters.

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 Bill be reported to the House. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it. The Bill will accordingly be reported to the House.

Agreed: Bill to be reported to the House.

The Maritime Authority of the Cayman Islands (Amendment) Bill, 2006

Clauses 1 through 4

The Chairman:

Clause 1	Short title
Clause 2	Amendment of section 2 of the Maritime Authority of the Cayman Islands Law, 2005 – definitions
Clause 3	Amendment of section 13 of the Maritime Authority of the Cayman Islands Law, 2005 – funds available to the Authority
Clause 4	Commencement

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 Clerk: A Bill for a Law to Amend the Maritime Authority of the Cayman Islands Law, 2005; 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 Bill be reported to the House. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it. The Bill will accordingly be reported to the House.

Agreed: Bill to be reported to the House.

The Banks and Trust Companies (Amendment) Bill, 2006

Clauses 1 through 6

The Clerk:

Clause 1	Short title
Clause 2	Amendment of section 2 of the Banks and Trust Companies Law (2003 Revision) – definitions
Clause 3	Amendment of section 5 – licence required to carry on banking or trust business
Clause 4	Amendment of section 8 – net worth requirements
Clause 5	Insertion of section 8A and 8B – capital funds requirement; capital adequacy ratio
Clause 6	Insertion of section 10A – obligation of auditors

The Chairman: The question is that clauses 1 through 6 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 6 passed.

Clause 7

The Clerk: Clause 7 Amendment of section 11 – certain prohibitions on licensee

The Chairman: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Chair.

I, the Third Official Member, move the following amendment to the Banks and Trust Companies (Amendment) Bill, 2006: That clause 7(b) of the Bill be amended by deleting the new subsection (2) proposed for insertion in section 11 of the principal Law and substituting the following subsection –

“(2) A licensee holding a licence for the carrying on of banking business shall not acquire an interest in an entity, whether legal or beneficial and whether directly or indirectly, so that the value of the interest at any time exceeds twenty percent of the net worth of the licensee –

- (a) except with the prior written approval of the Authority;
- (b) except where that licensee is also the holder of a Trust licence and holds assets in its capacity as trustee in the carrying on of trust business; or
- (c) except insofar as may be necessary with respect to any interest acquired by the licensee in satisfaction of debts due to it, but any such interest acquired in satisfaction of debts shall be disposed of within a period not exceeding five years unless permission to extend such period has been given by the Authority.”

Thank you, Madam Chair.

The Chairman: The amendment has been duly moved. Does any Member wish to speak? *[pause]* If no Member wishes to speak, Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Chair, just to thank honourable Members for their support.

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. The amendment stands part of the clause.

Agreed: Amendment to clause 7 passed.

The Chairman: The question now is that clause 7 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 7 as amended passed.

Clauses 8 through 10

The Clerk:

Clause 8	Insertion of section 11A – general requirements for trust companies
Clause 9	Amendment of section 13 – powers and duties of authority
Clause 10	Amendment of section 15 – Authority may apply to Court

The Chairman: The question is that clauses 8 through 10 form part of the Bill. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clauses 8 through 11 passed.

The Clerk: A Bill for a Law to amend the Banks and Trusts Companies Law (2003 Revision) to Increase the Protection of Depositors, and Beneficiaries of a Trust; to Increase the Regulatory Powers of the Cayman Islands Monetary Authority in Relation to Banks and Trust Companies; to Re-define the Obligations of Auditors; 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 to the House. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Bills to be reported to the House.

The Chairman: The House will resume.

House resumed at 12.06 pm

The Speaker: Please be seated.

REPORTS ON BILLS

The Insurance (Amendment) Bill, 2006

The Clerk: The Insurance (Amendment) Bill, 2006.

The Speaker: Honourable Third Official Member.

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

I am to report that a Bill entitled The Insurance (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 set down for the Third Reading.

The Mutual Funds (Amendment) Bill, 2006

The Clerk: The Mutual Funds (Amendment) Bill, 2006.

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Madam Speaker, I am to report that a Bill entitled The Mutual Funds (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 a third reading.

The Maritime Authority of the Cayman Islands (Amendment) Bill, 2006

The Clerk: The Maritime Authority of the Cayman Islands (Amendment) Bill, 2006, report thereon.

The Speaker: Honourable Third Official Member.

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

I am to report that a Bill entitled The Maritime Authority of the Cayman Islands (Amendment) Bill, 2006, 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 a third reading.

The Banks and Trust Companies (Amendment) Bill, 2006

The Clerk: The Banks and Trust Companies (Amendment) Bill, 2006.

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you.

Madam Speaker, I am to report that a Bill entitled The Banks and Trust Companies (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 a third reading.

THIRD READINGS

The Insurance (Amendment) Bill, 2006

The Clerk: The Insurance (Amendment) Bill, 2006.

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you.

Madam Speaker, I beg to move that a Bill entitled The Insurance (Amendment) Bill, 2006, as amended be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled The Insurance (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 Insurance (Amendment) Bill, 2006, has been read a third time and is passed.

Agreed: The Insurance (Amendment) Bill, 2006, given a third reading and passed.

The Mutual Funds (Amendment) Bill, 2006

The Clerk: The Mutual Funds (Amendment) Bill, 2006, Third Reading.

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Madam Speaker, I beg to move that a Bill entitled The Mutual Funds (Amendment) Bill, 2006, as amended in Committee stage be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled The Mutual Funds (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 Mutual Funds (Amendment) Bill, 2006, has been read a third time and is passed.

Agreed: The Mutual Funds (Amendment) Bill, 2006, given a third reading and passed.

**The Maritime Authority of the Cayman Islands
(Amendment) Bill, 2006**

The Clerk: The Maritime Authority of the Cayman Islands (Amendment) Bill, 2006, Third Reading.

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Madam Speaker, I beg to move that a Bill entitled The Maritime Authority of the Cayman Islands (Amendment) Bill, 2006, be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled The Maritime Authority of the Cayman Islands (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 Maritime Authority of the Cayman Islands (Amendment) Bill, 2006, has been read a third time and is passed.

Agreed: The Maritime Authority of the Cayman Islands (Amendment) Bill, 2006, given a third reading and passed.

**The Banks and Trust Companies (Amendment)
Bill, 2006**

The Clerk: The Banks and Trust Companies (Amendment) Bill, 2006, Third Reading.

The Speaker: Honourable Third Official Member.

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

I beg to move that a Bill entitled The Banks and Trust Companies (Amendment) Bill, 2006, as amended in Committee stage be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled The Banks and Trust Companies (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 Banks and Trust Companies (Amendment) Bill, 2006, has been read a third time and is passed.

Agreed: The Banks and Trust Companies (Amendment) Bill, 2006, given a third reading and passed.

GOVERNMENT BUSINESS

MOTIONS

Government Motion No. 5/06-07

The Public Management and Finance Law (2005 Revision)

Issuance of a Government Guarantee in Respect of Additional Borrowings by Cayman Turtle Farm (1983) Limited

The Speaker: Honourable Third Official Member.

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

I beg to move Government Motion No. 5/06-07 which is captioned "Issuance of a Government Guarantee in Respect of Additional Borrowings by Cayman Turtle Farm (1983) Limited". Madam Speaker, with your permission I will read the Motion.

The Speaker: Honourable Third Official Member.

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

The Motions reads as follows:

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 authorised 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 and the Legislative Assembly authorised the issuance of a 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 the delayed Grand Opening of Boatswain's Beach, post Hurricane Ivan;

AND WHEREAS in September 2006, the Governor in Cabinet approved the issuance of a guarantee of an amount not to exceed US\$8.8 million for a loan for operational and capital requirements of the Cayman Turtle Farm (1983) Limited from a local banking institution or, from local banking institutions[;]

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 local bank or bank, for an amount not to exceed US\$8.8 million, in respect of the financing needs of Cayman Turtle Farm (1983) Limited to fund its operational and capital requirements.

Thank you, Madam Speaker.

The Speaker: The Motion has been duly moved and is open for debate. Does the Honourable Third Official Member wish to speak thereto?

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

The Cayman Turtle Farm is currently engaged in a master redevelopment programme which was originally slated for completion in January 2006. However, significant delays have been caused by the impacts of the 2004 and 2005 hurricane seasons which saw the Cayman Islands affected by a large number of major hurricanes and tropical systems, most notable of which was Hurricane Ivan in 2004.

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 is over 85 per cent completed presently. An additional US\$8.8 million is being sought to assist in the completion of the project by November 2006.

The delayed opening of Boatswain'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.

Upon completion, this facility will encompass over 24 acres and will feature a 1.3 million gallon snorkel lagoon; a freshwater 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.

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. This guarantee would affect the borrowing ratio 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 has been guaranteed by Government less the Government's cash balances or reserves. The resulting figure from that 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 below the ceiling, the net debt ratio. Prior to the consideration of this item of this request it is expected to be 60 per cent at 30 June 2007, which is below the 80 per cent ceiling specified in the Public Management and Finance Law. The risk-weight percentage that is applied to any borrowings made by the Turtle Farm that the Government guarantees is 20 per cent. Therefore, applying a 20 per cent risk-weight to a borrowing of US\$8.8 million produces a result of US\$1.76 million that would have to be brought into the Government's net debt calculation.

Given that the revenue of the Government for its year to 30 June 2007 is expected to be CI\$442 million, adding US\$1.76 million to the numerator, then the denominator is \$442 million produces a negligible increase. Less than 1 per cent will be added to the net debt ratio. The proposed guarantee, therefore, will not have an adverse effect on the Government's ability to borrow for its own needs.

The Turtle 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 US\$8.8 million.

In a much summarised format, the following information is relevant to the Boatswain'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) was based on two key components: [firstly] the number of visitors to the Boatswain's Beach project; and, secondly, the per capita spending of visitors to the project.

In reviewing its business plan the Turtle Farm has been conservative in its estimates. The projected number of visitors to the Farm has been slightly reduced from the previous estimated figure of 495,000 persons per annum visiting the Farm to 488,000 per-

sons per annum. Similarly, the estimated per capita spending of entrance to the Farm has been adjusted downwards from the previous figure of US\$55 to US\$51.65.

Just commenting on the number of cruise ship visitors, there were 1.8 million to the Cayman Islands in 2005. This year, 2006, the Cayman Islands are well on track to match this record. Therefore the Farm's projection of 488,000 visitors to the project at the Farm is a reasonable one. It represents just 27 per cent of that 1.8 million visitor total, or about one in four cruise ship arrivers being projected to visit the Boatswain's Beach project. One in four appears to be quite conservative.

The question as to whether the US\$51.65 per capita spending level is realistic is perhaps best judged in relation to the many features that visitors will experience at the Boatswain's Beach project, and these are a snorkel lagoon; a freshwater themed pool; a predator tank; an educational centre; a free-flight aviary; an iguana exhibit; tidal pools; and an historic Cayman street with local artisans. This large number of features would, I submit, make the per capita spending level by visitors of US\$51.65 seem reasonable.

Additionally, 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. The requested US\$8.8 million is to take the form of a ten-year loan from a local bank. The indicative interest rate on the loan is half a per cent (0.5%) above prime. The prime rate currently is 8.25 per cent per annum.

The Cayman Turtle Farm and Government are confident that the proposed additional financing of US\$8.8 million that is sought by this Government Motion and the existing obligations of the Farm are affordable. Therefore, I would accordingly 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? *[pause]* Does any other Member wish to speak?

Second Elected Member for the district of West Bay.

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

I listened carefully to the contribution by the Honourable Third Official Member—when he outlined the historical costs associated with this project, and we then project what the final cost is going to be. I am still left trying to reconcile what would have been the original costing for the project and what, specifically, has now led to the requirement for the additional funding.

We have heard items like damage caused by the hurricane, costs of materials and these sorts of

items. However, it would be invaluable to the House if we were given some form of breakdown of what has caused these increased projected costs. In other words, what exactly is the amount that relates to damage caused by the hurricane? What, of this amount, is made up by additional increased costs of supplies, et cetera?

To just say that we want to approve an additional guarantee not to exceed US\$8.8 million without the details behind it I do not think is something that the House would be wise to undertake.

The project is invaluable to the country, there is no doubt about that, and we have to finish the project. However, we do have a duty to the public, that the public must know at all times where the monies are being spent and when we have projected overruns, a detailed explanation as to why the overruns have taken place. Presumably they are all well justified; otherwise, we would not be here and Cabinet would not have approved this Government Motion to be moved on the Floor of the House. I do not believe that thus far the analysis that has been given is one that is strong enough that the House should be satisfied.

We have certainly heard (and this, some may say, is not a fair comparison) in recent times of cost overruns on other projects, like the Port project. We have heard of varying reasons as to why we have had cost overrun. Some have been related to hurricane damage, some have been related to materials as well. With this case all we have heard thus far is that we need to get the project finished, the project is going to be valuable to our tourism project, and here is the amount that we need.

While all of us agree with those sentiments, I think we are duty bound to clearly tell the public why these additional costs are being incurred and why, therefore, we need to have an addition to the guarantee. This will be the third additional guarantee. We started off at \$36.6 million and then back in March we had authorisation [for] an issuance of a guarantee of some \$5 million and this Motion says it is to provide financing for additional direct construction costs and to meet current operational needs for the grand opening of Boatswain's Beach post Hurricane Ivan.

The current request says it is “**for a loan for operational and capital requirements for the Cayman Turtle Farm (1983) Limited**” and we have heard the Honourable Third Official Member mention a few items, but certainly nothing that I would say raises to the standard that should suffice the House being satisfied (or the public being satisfied) that enough information has been forthcoming.

I note very interestingly that the Honourable Third Official Member did also mention that compared to the numbers of cruise ship passengers the projections at Boatswain's Beach are reasonable. Yes, I would tend to agree he did interestingly say that even after making the projections more conservative the

business span still stands up and this project still will be a success.

While I think most of us here do not necessarily doubt that, one does have to try to reconcile what is going to be the overall impact on cruise ship visitors if (from what we have heard from the campaign time and certainly no real change up till now) there is going to be any sort of major change in cruise ship policy within the country.

Now as I understand it, how this works is that even if the current Government wants to limit the number of cruise ship passengers who arrive into Cayman, that cannot be achieved in the near term in that for a number of years out the Port Authority will have already granted the right to land to certain cruise liners. It is only the new requests that would not have been inherited by this Government that could be impacted.

Perhaps that will not be something that will come on line within the next, say, two or three years, but certainly this has to be looked at by us as a House as a project that needs to be successful over the next 10 to 15 years. So given that fact, we need to clearly understand how all of these different variables could potentially (and I stress that) impact the ultimate outcome and the ultimate success of the project.

I certainly hope that this will be the last request because, let us face it, we all here are humans and the public out there is listening. The more times you come with your hand out the more likely people are to become concerned. So for me to understand here and say that I am not concerned would be an untruth. That is why I am making my contribution.

I am concerned that in March we had a request, and now in September we have a request again. I am not sure what information is known now versus what was known then that would cause us to have to come back for an almost \$9 million request for an additional guarantee. Obviously, with these things we hope that the guarantee is for \$8.8 million but that ultimately they come in under that and they do not need to utilise all those funds. Certainly, this number must not have been plucked out of the air, so there must be some estimates behind it. We have to assume that it is going to be a significant amount added to the overall end cost of this project.

Irrespective of what districts we are from, this project is a project that is vital to the country. I do take a more particular interest in it because it is from our district and it was something that was seen as a key part of the way forward in overall development of the tourism product. We need to get the project finished.

I drove by a few weeks ago and went inside and walked around. I made sure that I drove by yesterday when I knew this was coming, but it was very early so I could not go in to walk around. I heard the Honourable Third Official Member saying that there is hope to have this finished by November . . . I am not a builder, I am not a developer, but there is a lot of work to be done and I am hoping that an aggressive open-

ing date is not something that is contributing to these increased costs. In other words, I am hoping that there is not a simple aim to have this open by a specific date and therefore we are going to incur additional labour costs by asking people to work different times where you may have to pay them overtime that would contribute to these increased costs.

I believe that the House needs to be told more clearly where the project is and why it is that we are now coming back for guarantee of somewhere around \$9 million. I think that is only fair to all of us and it is only fair . . .

[Inaudible interjection]

The Speaker: Is that anything to do with the Motion before the House?

Mr. Rolston M. Anglin: Yes, Madam Speaker.

The Speaker: Okay.

Mr. Rolston M. Anglin: To underscore a point that I made a bit earlier, I was just reminded by a colleague of mine that, certainly, the PPM Government did run on the basis—and this is taken from their manifesto, page [18] item (c)—that they, “**Recognise that the future of the tourism industry, and by extension the Cayman Islands, does not lie in mass tourism**”. Item (j) on that same page says: “**More effectively distribute our cruise ship passengers by creating additional product offerings in other districts and thereby significantly reducing the number of cruise ship passengers that are deposited on Seven Mile Beach in the midst of our stay over visitors.**” While—

[Inaudible interjection]

The Speaker: Honourable Second Elected Member for the district of West Bay, if you read the resolve section of this Motion, I do not know how that ties in. So could you continue your debate, please?

Mr. Rolston M. Anglin: Madam Speaker, it ties in because—

The Speaker: I have made my ruling. Would you continue your debate and not argue with the Chair? Thank you.

Mr. Rolston M. Anglin: I apologise, Madam Speaker. I, of all Members, would never ever argue with the Chair.

[Inaudible interjections]

Mr. Rolston M. Anglin: Moving on, I certainly hope that the statistics offered by the Honourable Third Official Member in regard to the number of cruise ship

passengers that are going to underpin the success of Boatswain's Beach is not going to become jeopardised by any Government policy and that Government will recognise the great necessity and the great need to do everything it can to ensure that the numbers that need to go to Boatswain's Beach do arrive there.

Obviously Government cannot dictate to the cruise lines or anyone else that their passengers must buy the Boatswain's Beach tour. We do know from the past that the Turtle Farm itself was popular, and so the logic has always been if it was just a farm with a gift shop, that making it into a proper facility naturally people would tend, we would believe, to want to go and visit the facility and see it.

Madam Speaker, with those few very brief remarks I would like to underpin and state categorically that we do support the Boatswain's Beach project and we do want to see the project come to a successful completion and become fully operational. However, there are formalities that need to be done, there are principles that need to be adhered to, one of which is open and transparent government. We do need to ensure that we are telling the public the complete facts. Because you see, I am not saying that anything that has been said thus far is non factual. I am simply saying that from what I have heard I do not see that a story has been completely painted.

Thank you, Madam Speaker.

The Speaker: Proceedings will be suspended until 2 pm.

Proceedings suspended at 12.40 pm

Proceedings resumed at 2.35 pm

The Speaker: Please be seated.

Proceedings are resumed. Debate on Government Motion No. 5/06-07 continues. Does any other Member wish to speak?

Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker.

It really was not my intention to speak to this Government Motion. The Motion itself is clear with its intent. However, the Opposition has chosen to come with a line which speaks to wanting to, I will not say chastise, but wanting to chide the Government expressing the view that the Government is not forthcoming with all the necessary information regarding the Motion. It would never be this Government's intention to bring a motion of this nature without expressing the facts. How and in what form those facts are expressed is a whole different matter.

I noticed when the Second Elected Member for West Bay (and I do not know with the amount of counselling he gets why he continues to do this)—

[Laughter]

Hon. D. Kurt Tibbetts: I notice that he feebly tried another line of argument given all of his accounting experience and he ended up outside the fence with the gate locked and he could not get back in.

The Second Elected Member for West Bay, while listening carefully to the advice of his colleague, the Third Elected Member for West Bay, came to the point where in using his mathematical terms he was trying to say that a policy of this Government . . . and at one time he quoted from one of the pages of the "Little Red Book." It is a real pity that almost a year and a half later it is still giving them so much trouble, but anyway . . .

The line that was taken wanted to suggest that in bringing this Motion, which is all centred around completing this project, even if it was not direct perhaps if I even stretch it so far as to say by innuendo, we did not have it figured properly because this policy . . . and I am quite aware of the fact that you had to point out to the Second Elected Member for West Bay the relevance with regard to the Motion. I understand quite clearly and would never (especially on an afternoon like this afternoon) attempt to test the waters, Madam Speaker. I am not attempting that.

However, I would crave your indulgence because I can show the relevance of my point simply to repeat what the Second Elected Member for West Bay was trying to use as a line of argument. Should you tell me that it is not valid I certainly will accept it.

It is the section where he was speaking about cruise ship passengers and numbers. I am confident that I will be able to show the relevance of my argument when I use that, if you allow me.

The Speaker: Honourable Leader of Government Business, is that to rebut what the Second Elected Member for West Bay said regarding that document?

Hon. D. Kurt Tibbetts: Yes, Madam Speaker.

The Speaker: Go ahead.

Hon. D. Kurt Tibbetts: Thank you very much, Madam Speaker.

You see, he quotes from our little red book (and thank God for our little red book). "**More effectively distribute our cruise ship passengers by creating additional product offerings in other districts,**" and by that, for purposes of clarity, we mean like the Go East initiative, "**and thereby significantly reducing the number of cruise passengers that are deposited on the Seven Mile Beach in the midst of our stay over visitors.**" I will not read the rest of it because I do not need to.

What this spoke to in the manifesto was passengers being offloaded on the Seven Mile Beach. Now, the Second Elected Member for West Bay, the Third Elected Member for West Bay, and, indeed, the Fourth Elected Member for West Bay are all from West Bay.

[Laughter]

Hon. D. Kurt Tibbetts: Do not tell me for one minute that they believe that Boatswain's Beach (or the Turtle Farm as we know it) is on Seven Mile Beach. They must know the difference. Therefore, it is obvious that to stretch the argument is exactly that, and I am just grateful that we cannot stretch the Seven Mile Beach as far as the Turtle Farm.

So, you see, Madam Speaker, to conclude the point, that line of argument being used was trying to say that when this project is finished it is going to be heavily dependent on cruise ship passengers visiting the project and paying to go into Boatswain's Beach. He was trying to say that if the Government was saying that we wanted less cruise ship passengers then it means it would be less business for Boatswain's Beach.

I am saying that the point that we were making was totally outside of the realm of the point he tried to make. All we spoke to in the manifesto was the Seven Mile Beach area because there are conflicts (and we know there have been) with stay over visitors who stay at either the hotels, the timeshare operations or the condominiums and have beach access, and at the same time have hundreds of the cruise ship passengers being deposited on the same sites, overcrowding the beaches in their minds. That is where the problem is.

I only wanted to make sure that if by chance the mathematical intuition of the Second Elected Member for West Bay had strayed that far, that he is brought back in line. However, I do not think that is the case because I know he is very intelligent, so it can only lead me to believe that he is just mischievous.

[Inaudible interjection]

Hon. D. Kurt Tibbetts: So we have to leave it at that.

He also made the point about transparency and accountability and he was trying to say that if this Government were to practice transparency and accountability, then we would be forthcoming with the facts. What he failed to remember is that this Government is never a one-man show. In fact, in a motion of this nature, which was brought by one of our Official Members, the fact of the matter is when we add it all up together we have a team and a few reserves. So, at all points in time, should I say we have our ducks lined up properly.

Madam Speaker, my job this afternoon was not to deal with the specifics regarding the Motion because certainly the Honourable Third Official Member is quite capable of dealing with that. If there is anything else that is left or needed to be said, then certainly we will do that too. However, you see, rolled up in this whole affair is also something that is going to have to come to Finance Committee. When it comes to Finance Committee every single dollar figure in

everything will be examined. This Motion speaks to facilitating the guarantee.

Now I want to just quickly go back into the Motion and speak to the second "WHEREAS" clause with your permission. It reads: **AND WHEREAS in December 2003**—Forgive me, Madam Speaker. I need to go to the first "WHEREAS" clause and then the second one, with your permission.

"WHEREAS in December 2003 [and it is important to remember that date], **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 [in the same month of 2003], **the Governor in Cabinet and Finance Committee authorised 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;**"

Madam Speaker, those two sections, those two "WHEREAS" clauses, what it means you see—and this is what obtained—the Government gave the guarantee in December 2003 for CI\$36.6 million and/or whatever its US equivalent was, but the Government issued a second guarantee for \$2.2 million almost at the same time to facilitate the necessary short-term loan liquidity lines of credit.

What actually happened there is the Government guaranteed \$2.2 million for the Turtle Farm for them to go and access those funds very quickly to get the project started, to get—I do not recall specifically what the \$2.2 million was spent on but that was the beginning of the project. That was done before the financing was in place.

Obviously the Government must have had the confidence that the Turtle Farm would have acquired the financing because the Government had issued the guarantee, but this was done before the financing was in place. It had to be done before the financing was in place because if the financing was in place we would not need it. I think that stands to reason. So from day one the project can be said to have not been thought through to the bitter end.

I almost would dare say at this point in time that notwithstanding other issues such as Hurricane Ivan, the project itself (notwithstanding as I said Hurricane Ivan) much of what has to be dealt with now with the project has to do with its genesis and not having all the ducks lined up from the very beginning.

Nevertheless, suffice it to say two things at this point in time: nothing that we speak about would say that project is not a good one. The Cayman Islands will always need more land-based attractions and I said that from the very beginning when the project was introduced. There is no mind change there

because it is a fact. Regardless of whether it is stay over visitors or cruise ship visitors, for us to stay with any type of competitive edge we have to have good land-based tourism attractions. When it is over, this will certainly be the premier one of them.

It is just a pity that so many difficulties have ensued with it. Having said that, with regard to the Government not being forthcoming, all I have to say is that if the genesis of this project was with this Government we would never have gotten this far and have had so much trouble.

Thank you.

The Speaker: Does any other Member wish to speak? *[pause]* If no other Member wishes to speak, does the Honourable Third Official Member wish—Honourable Minister responsible for Tourism.

Hon. Charles E. Clifford: Thank you, Madam Speaker. I rise in support of the Motion for the Issuance of a Guarantee of US\$8.8 million to Cayman Turtle Farm (1983) Limited.

The Second Elected Member for West Bay has had much to say about transparency and has called for the Government to say more about the request and, in doing so, is certainly insinuating that we were attempting to not provide all of the information that ought to be provided to Parliament. He was obviously being coached by the Third Elected Member for West Bay, and I see that is still happening.

He has called for transparency, and this Government has certainly demonstrated since it was elected that it is a transparent Government in many ways. He has asked for it and he is certainly going to get it, if that is what he requests.

While, as the Leader of Government Business has pointed out, this matter will ultimately be discussed in much more detail in Finance Committee, I want to give (in some general terms before I go on to say what I have to say) a summary of the breakdown of the US\$8.8 million guarantee.

The figure is made up of design and development fees, which includes project management fees of some \$605,000. There was another category called General Conditions, which include things like import duty and some of the office functions of the project management office, which is \$617,000. The third category is Site Works, which includes the tanks and the snorkel lagoon and a lot of the support functions of the farm such as the pumping stations. That is a total of \$4.4 million.

The fourth category is Buildings and Tanks, and this includes a number of things: a toilet block and other buildings such as the restaurant that is nearing completion now. The amount there is \$1.1 million. The final category is Purchases, and the amount there is \$1.8 million.

As I have said, and as the Leader of Government Business has indicated, this really is not the forum for us to go into the examination of the detail of

those figures but, ultimately, when we go to Finance Committee in November we will have an opportunity to do that.

The Honourable Leader of Government Business also mentioned that the Finance Committee meeting in November would certainly examine this in more detail but would also deal with other aspects of the financing package. For the information of the Second Elected Member for West Bay, this is part of the transparency too because the Third Official Member, when he was making his contribution, did not have an opportunity to mention this.

Part of the same financing package, Madam Speaker, that has been approved by the Cabinet includes a direct loan from the Cayman Islands Government for the amount of US\$5.58 million, and that is broken down into US\$4.46 million in this current financial year and US\$1.1 million in the 2007/08 financial year.

These funds are earmarked for the repayment of loan obligations until such time as the Farm can complete the construction of the redevelopment, launch full operations and realise its business plan.

The management of the Farm and the Board of Directors have confirmed to the Ministry (and certainly to myself) that the project will be completed and open in November 2006.

Mention was also made of the request which came before Finance Committee earlier this year. I simply want to correct the date on that because it has already been mentioned that there was an initial request for US\$5 million in additional guarantees for the Cayman Turtle Farm, but that actually came to the Legislative Assembly and to Finance Committee in May 2006—not in March 2006. Again, that too is part of the transparency.

Today, due to the unfortunate circumstance the Cayman Turtle Farm, again, has to request the financial backing of the Government, this time for an amount of US\$8.8 million. There are identifiable and quantifiable explanations for this second funding request. These factors are closely tied to (and in fact have been exacerbated) by the eleven-month delay in opening the project and the cumulative impact these delays have had on the project budget.

For the benefit of the Members of this honourable House, and certainly for the benefit of the listening public, I would like to outline briefly the key factors that have resulted in the current and prior request for the additional funding.

These factors can be summed up in three pivotal stages: firstly (and the Leader of Government Business made passing reference to this) in early 2004 when the original project budget was confirmed based on preliminary design drawings and estimates; secondly, September 2004 and the extraordinary events that resulted and followed Hurricane Ivan; and thirdly, in March 2006 when the post-Ivan budget re-assessment was conducted internally by the Cayman Turtle Farm and proved ultimately to be incorrect.

While the original project budget of April 2004 was detailed, it was established based on preliminary design and project scope. These preliminary estimates form the basis for determining the value of the bond to be raised to finance the project. However, while the funding amount had been determined and fixed, the actual budget continued to be negatively affected over time as a result of many factors, including changes in the project scope and the addition of features that were necessary for the operation of the new park, but that were omitted in the original plan.

As an example, the acquisition of animals to stock the exhibits for the Boatswain's Beach project had not been fully costed and was therefore an unknown quantity from a budgetary perspective.

The Farm aimed to collect specimens locally to launch the project and the provisional allowance was included in the budget under the cost sensor of contingency. However, the original budget assumed (albeit without formal approval to support this assumption) that animal collection would be conducted locally. With Hurricane Ivan's resulting impact on the flora and fauna of the Cayman Islands, such collection became an even more unlikely event and the Turtle Farm opted, out of an abundance of caution, to source the required marine life from overseas.

The process of acquiring these animals from overseas suppliers dramatically increased the cost which had only been provisionally estimated. Even without factoring in what was such a critical element of the project (that is, the cost of acquiring the marine life for the project), the contingencies vote was certainly inadequate. For a project of some US\$44.6 million only \$2 million had been allocated for contingencies. This represents only four per cent of the total budget and proved to be far from sufficient.

Hurricane Ivan: Against the background of the loosely defined and inadequate project budget, the redevelopment project fell victim to the most devastating hurricane the Cayman Islands has experienced in a generation. Overnight and since then, Hurricane Ivan related issues have undermined the Farm's original cost and deadlines for completion.

One major reason for the additional funding request is the creep in the project schedule. The delayed project opening can, in large part, be attributed to the impact of Hurricane Ivan, which resulted in major delays in shipments of materials for the project, as well as the notable increase in the cost of shipping.

I know that the Honourable Third Official Member mentioned [*inaudible*] in his contribution and in moving the Motion, but it certainly bears repeating and reinforcing. Cost overruns were also inevitable post Hurricane Ivan given the marked increases in construction materials. A CNN *Money Report* of October 2005 quoted the chief economist of the Associated General Contractors of America, who issued an analysis that compared construction costs over the four-year period from 2001 to 2005. The article stated, and I quote: **"Before the storms hit, the prices of**

construction materials had barely budged, with gains of just a few percentage points.

"But by September of 2004, steel and copper construction products had soared as much as 62 percent higher than a year earlier. Gypsum products were up 21 percent, asphalt and lumber had climbed 12 percent, and insulation materials rose 11 percent."

The article demonstrates that the impact of active hurricane seasons has generally affected the construction market. In recognition of this post hurricane environment, the Cayman Turtle Farm had put measures in place to mitigate increasing operating costs. For example, the Farm put a freeze on hiring of non-essential employees and identified new revenue streams such as utilising the property as a venue for special events. This was post the hurricane season and post Hurricane Ivan.

In terms of addressing the impact of sharp increases in the costs associated with construction materials, the Farm pre-purchased as many items as possible which might be most impacted by fluctuating market forces and availability such as, for example, the reinforcing steel for all of the structural concrete. They also directly purchased all large-dollar value items saving the contractor markup and ensuring delivery.

The Farm has also undertaken to use "labour only" contracts to do owner supplied material for small works to explore alternate sources for material and to examine the possibility of changing the specifications where cost savings could be realised. To mitigate transshipment problems such as significant delays, logistical challenges and increased costs of as much as 45 per cent of the direct shipping costs, the Farm contracted with local shipping lines to optimise the shipping options, made special arrangements with the Port Authority to fast track delivery of shipments and worked to expedite shipments from Florida.

To alleviate the problems associated with the demands on the limited supply of skilled and unskilled labour, the Farm promptly confirmed the commitment of all contractors and heavy equipment operators on their existing contract to continue the project immediately post Hurricane Ivan.

While these efforts no doubt minimised the full impact of the hurricane, the cumulative delays coupled with escalating costs still significantly undermined the pre-Ivan budget.

The demands on the limited supply of local contractors who are inundated with work, in particular following Hurricane Ivan, were further encumbered by the fact that they saw their restricted supply of labour stretched to a breaking point. The result was that subcontractors had inadequate manpower to maintain production requirements that would satisfy the schedule sought out by the Farm's project management team.

A similar set of circumstances existed in the equipment rental business, where the emphasis was

placed squarely on the recovery efforts and not on new construction.

Material availability has proven to be a substantial challenge for the entire project. Some of this can be attributed to the aftermath of Hurricane Ivan, but in more recent times has been the result of supply and demand. A majority of the projects on Island are struggling with the limited and irregular supply of concrete. Compounding this problem for the Farm is the fact that the concrete used on the Boatswain's Beach project and the shotcrete mix used in the creation of the artificial environment were both special orders.

Insurance settlements were another challenge. In order to maintain the Farm's core business following Hurricane Ivan, all of the Farm's operational capital was exhausted. The total insurance claim resulting from Hurricane Ivan was US\$3.2 million, with the total funds received for settlement having been US\$1.7 million, resulting in a shortfall of US\$1.5 million.

Another important point in the development stages of the business model, it was envisaged that there would be only one tour at the new facility that would encompass the entire Boatswain's Beach. Due to the current market demand for a more limited tour and the impact to current tour operators in Grand Cayman and at the request of some of our cruise partners, a decision was taken by the board of directors to refine the business model to take into consideration market-driven factors and to continue the Turtle Farm only tour.

This decision had financial implications for the project as a whole, as the per capita revenue generated by the Turtle Farm only tour is US\$19.56, with the Boatswain's Beach tour generating some US\$51 per person.

The loss in net operating income relating to the differential in per capita to our income is difficult to quantify, but could reach as high as US\$6.5 million by October 2007 if the Boatswain's Beach tour is able to maintain the current market share of just over 20 per cent of all visitors arriving at the Farm. With the change in business model and additional increase in pricing for both tours, it is projected for 1 November 2007, when the current negotiated rates expire.

March 2006 Project Budget Evaluation and Request for Supplementary: Madam Speaker, the burning question, obviously (and a question that is obviously reasonable to be asked) is that while these additional funds were not foreseen when the request was brought to this Legislative Assembly and Finance Committee in May 2006. The simple answer is that when the project costs were reevaluated internally by the Cayman Turtle Farm, it was estimated by them that \$5 million would complete the project. As time has proven, this internal assessment was significantly off target.

In order to avoid a repeat of this situation and to arrive at a more realistic budget, an external quantity surveyor, BCQS Limited, was contracted by the

Farm to assess the cost to complete the project. The firm was hired to perform a financial risk assessment on the cost to complete the Boatswain's Beach project. They concluded with a 95 per cent confidence level that an allocation of approximately US\$8.8 million would complete the project.

As I said earlier, the Board of Directors and the Managing Director of the Farm have confirmed that these additional funds, the \$8.8 million that they will borrow from local lending institutions, is sufficient to complete the project and that they expect to complete it in November this year. I heard the Second Elected Member for West Bay saying he hopes that the increase in the project cost is not a result of the project being fast tracked. I certainly need to remind him that, for a number of reasons which I have already have identified, the project is already 11 months behind schedule.

Having said all of that, Madam Speaker, those are not the only reasons for this project to be where it is at now. There were concerns about the way this project was handled from the very beginning, and I was very close to the project as the Members of this honourable House will know, as I was the Permanent Secretary in the Ministry at the time. Against the advice, the contracts that were awarded with respect to this project were simply not tendered.

We know from experience that when we go down this road we do not get value for money. It has proven time and time again. Let me hasten to add at this point, for the avoidance of doubt, just in case someone missed it up until this point: This project was not started by this Government—it was started by the United Democratic Party, the now Opposition in this House. Having said that—and we are not sure whether it is still, in fact, a party—we believe that this project is good for the country. It is going to add to the tourism products that we have and it is going to be a world-class facility when it is completed. No one is saying that the project is not going to be good for the country.

We came into office and the project was well on its way. In fact, if we had determined that the project was not good for the country, it had probably progressed significantly that we simply would not have been in a position to stop it anyway. However, that was not our intention.

The other issue that I wish to speak to is the fact that the now Leader of the Opposition—who was then the Minister responsible for the Turtle Farm, and the Chairman of the Board of Directors at the Turtle Farm—chose to promote the idea that we should have a coalition of small contractors bid on this project.

While that is certainly a noble suggestion (because we all want to assist small local contractors in getting into larger contracts and being in a position to expand their businesses) we have an overriding responsibility to: first of all, give those small contractors the requisite advice, guidance and counselling so that they can structure their business in such a way that

when they get involved in large projects such as Boatswain's Beach they are able to do it successfully and, at the end of the day, there are no issues with respect to their credibility or ability to deliver a project of that magnitude.

What should have happened was that the then Chairman of the Cayman Turtle Farm Board of Directors should have ensured that this advice was given and should have put them in a position where they could put up the required performance bond for a project of this magnitude.

This particular approach has undoubtedly cost this project more than it should have. There is no doubt in my mind about that. What has happened, and part of the increase cost is that the Cayman Turtle Farm itself and the managing director of the Farm (whom I have a great deal of respect for), Mr. Kenneth Hydes, has had to take on a significant part of the project management for this redevelopment. That is simply not an ideal situation for a number of reasons, but certainly it negatively impacts the whole issue of accountability for a redevelopment project.

There were other issues that certainly resulted in a negative impact on the operational finances of the Cayman Turtle Farm. Once again, the then Chairman of the Cayman Turtle Farm Board of Directors (now Leader of the Opposition) on the eve of the Election chose to award significant increases in salaries across the board to every member of staff at the Cayman Turtle Farm, somewhere in the region of 13 per cent.

We can only make certain assumptions, Madam Speaker, as to why that was done on the eve of the election; but, clearly, it has had an impact on the operational costs of the Farm. While we are not saying that increases perhaps were not justified at that time, but clearly in awarding increases in salaries to employees you have to look at the overall impact and implications of so doing and you have to plan for it. You cannot simply wake up one morning and decide that perhaps things might turn out for you a little better if you did that, and just go ahead and do it. It does not work that way. You must have a budget in place to support that and there was no such thing.

Madam Speaker, there were other issues that had a negative impact on the operations of the Cayman Turtle Farm (1983) Limited.

Against my advice and others who were around the table, once again, the former Chairman of the Cayman Turtle Farm (and now Leader of the Opposition), in promoting this redevelopment project, chose to bring in a team to essentially facilitate the financing of the project. This was a three-man team that was incorporated as GC Ventures Inc., [GC Ventures Corp. Ltd.] and the three individuals involved in this particular company were Mr. David Berry, who is the business partner of the Leader of the Opposition in his real estate firm; Mr. Suresh Prasad, who is a close acquaintance of the Leader of the Opposition; and a man by the name of Mr. Carson Wynne from the United States.

Yes, Madam Speaker, this is part of the transparency they have asked for.

I objected to this. Others did as well, because we believe—and I believe today and am convinced today—that there was no need for a so-called “middle man” with respect to this project. The Turtle Farm and the Government certainly had the wherewithal to access the capital markets without the need of a company to facilitate that.

Nonetheless, it was insisted that we should proceed in this direction. At the end of the day, before the project even got off the ground, I believe the Chairman saw the light and essentially decided that we would not have to use a company such as that for going forward with the project. Notwithstanding that, while they had done apparently some work to facilitate this, the Farm had to fork out some US\$600,000 to pay this company for allegedly facilitating the financing.

I want to say a little bit more about this group because Mr. Carson Wynne (who is the gentleman from the United States) was being taken around to several government agencies—and this is relevant because it speaks to learning lessons and making sure that we be careful in the future in how we approach major capital projects such as this.

Mr. Carson Wynne was being taken around to various government agencies because he could allegedly provide financing for all sorts of capital development projects.

One of the main reasons why Cayman Turtle Farm did not proceed for the duration of this project with this company was because when the sales pitch was made to Cayman Airways for refinancing Cayman Airways, Cayman Airways did a due-diligence check on this individual. I do not have to go into the details, but suffice it to say that his past was one that did not reflect very well on him, and he is not an individual who any prudent government would want to do business with, having had issues with respect to bankruptcy in the United States.

So that essentially brought GC Ventures Inc. [GC Ventures Corp. Ltd.] to an end with respect to this project. But I hasten to add and to repeat that was some US\$600,000 later, which the Cayman Turtle Farm had to pay.

Notwithstanding all of this (and as I have said several times during my debate on this issue), despite all of those issues, and despite all of the problems that we have had along the way, what is important now is that we focus on the completion of this project so that the project can become fully operational and we can begin to realise the level of revenue that we need in order to make the Farm and the Boatswain's Beach project viable and profitable. I am convinced that we are going to be in a position to do that.

Having said all of that (and again, the Second Elected Member for West Bay has called for transparency so let me give him a little bit more of that) in 2005, some four months after the General Elections

since we took office in May 2005, and having identified some of these issues, I requested of the Board of Directors that they work with the Auditor General's office to conduct a value-for-money audit on this project.

In light of the uncertainties previously outlined and at my request, as I said, the Board of Directors met with the Auditor General's office and they have quite a detailed terms of reference developed for this value-for-money audit on this particular project. In addition to that, the Board of Directors has agreed to make changes to the organisational structure of the Cayman Turtle Farm (1983) Limited, Boatswain's Beach, to ensure that key personnel are better positioned and able to direct the completion of the project and the deployment of the market-driven business model.

The value-for-money audit will come, and the Second Elected Member for West Bay has asked for transparency, and I know that he is certainly going to get that when that audit report is tabled. I am sure that that particular report will be very interesting. However, today that is not the focus; the focus, as I have said (and I cannot repeat it too many times) has to be, must be, and is, on the completion of this project.

The Board of Directors led by its chairman, Mr. Joel Walton, has certainly done a significant amount of work on this project. I certainly want to thank them most sincerely on behalf of the Government for their efforts. The Managing Director, Mr. Kenneth Hydes, and all of his staff have put in a tremendous amount of effort and extra time on this project and they too must be thanked for their contribution.

It is a matter of weeks now before we complete this project, and I am very much looking forward to the day that we officially open the project. I am sure that all of those who visit the project either on the day of the official opening or subsequently (or perhaps prior to that because there are some components of that project that are already operational as you know) will appreciate the project, will see it as good for the country as I have seen it and one that is going to help the tourism industry tremendously.

Having said all of that, the Motion which is before this honourable House is certainly a necessary one and, clearly, if this project in terms of schedule slips any more, then it has additional financial implications. I have made it very clear to the Ministry, the Board of Directors and the Managing Director that that is simply not going to be acceptable. The project must be completed in November 2006 and must be fully operational.

The Leader of Government Business has dealt with the issue of the cruise numbers, and I do not think I really need to go into that. I think all of the other matters that were raised by the Second Elected Member for West Bay have been adequately dealt with. I hope I have lived up to his expectation with re-

spect to transparency. I commend this Motion to honourable Members.

I thank you, Madam Speaker.

The Speaker: Does any other Member wish to speak?

[Inaudible interjection]

The Speaker: 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.

The Government Motion that is before the House has obviously been well debated. Most of the points that were raised by the Second Elected Member for West Bay have been addressed, and I do not need to carry out any great long extensive reply.

We heard from the Honourable Minister of Tourism when he spoke to the issue of the number of small contractors that have been involved on the project. I would say, from the information that has been made available to me, that one of the major contractors on the site was actually terminated and the direct cost of delay as a result of that termination was in the region of approximately US\$0.8 million.

We also heard of the impact of having to acquire animals and flora and fauna from overseas as opposed to getting some of them locally at a much reduced cost, or free of cost. The impact of having to go overseas to get those animals and flora and fauna has cost the Farm an estimated US\$0.8 million as well.

I believe that all of the other issues raised have been fairly well addressed. It only remains for me to urge all honourable Members to support the Government Motion that is before the House and to approve the issuance of a government guarantee to a local bank or banks, for an amount not to exceed US\$8.8 million so that the Turtle Farm can finish the project in time for the scheduled completion in November 2006.

Thank you, Madam Speaker.

The Speaker: The question is, Be it now therefore resolved that the Legislative Assembly hereby authorises the issuance of a government guarantee to a local bank or banks, for an amount not to exceed US\$8.8 million, in respect of the financing needs of Cayman Turtle Farm (1983) Limited to fund its operational and capital requirements.

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

Ayes and [one audible] No.

Hon. D. Kurt Tibbetts: Madam Speaker—

Hon. G. Kenneth Jefferson: Madam Speaker, can I have a—sorry.

Hon. D. Kurt Tibbetts: Madam Speaker, I am certain I heard a “No”, and I would ask that we have a division, please.

The Speaker: Honourable Leader of Government Business, I will allow a division. But if we read the Standing Orders it is not a matter of just hearing one No.

Madam Clerk.

[Inaudible interjection]

An Hon. Member: You vote. That’s what you do!

Division No. 4/06

Ayes: 12

Hon. D. Kurt Tibbetts
 Hon. Alden M. McLaughlin, Jr.
 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
 Mr. Cline A. Glidden, Jr.
 Capt. A. Eugene Ebanks

Noes: 0

***Mr. Rolston M. Anglin:** Aye. Aye.

[Laughter]

The Speaker: We are not in a—

Mr. Rolston M. Anglin: Aye.

[Inaudible interjection]

The Speaker: The result of the Division is: 12 Ayes, 0 Noes. The Ayes have it. Government Motion No. 5/06-07 is duly passed.

Agreed by Majority: Government Motion No. 5/06-07 passed.

The Speaker: That concludes the orders of the day. I will entertain a motion for the adjournment.

ADJOURNMENT

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker.

There are two matters which are referred to Finance Committee: the supplementary for 2005/06; and we also have some supplementaries for 2006/07 which have been tabled and referred to Finance Committee. As soon as those matters have been

completed we will return to the Legislative Assembly and deal with the Supplementary Appropriation Bills and the report to the Legislative Assembly from Finance Committee. That was just to explain to everyone what next is on the agenda.

Madam Speaker, I move that this honourable Legislative Assembly be adjourned until completion of the matters referred to Finance Committee, and that will be on Monday.

The Speaker: The question is that this honourable House do now adjourn until the Finance Committee completes its business. I gather that Finance Committee will meet on Monday at 9 am. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. This honourable house now stands adjourned until the Finance Committee has completed its business.

At 3.38 pm the House stood adjourned until the completion of Finance Committee business.

OFFICIAL HANSARD REPORT
FRIDAY
5 OCTOBER 2006
11.23 AM
Eighth Sitting

The Speaker: I will ask the Fourth Elected Member for the district of West Bay to say 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.

The Speaker: Please be seated. Proceedings are resumed.

Proceedings resumed at 11.26 am

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

Apologies

The Speaker: First, let me apologise to the press particularly who have been in the Gallery since ten

o'clock, for the late start of this meeting. This was due to the fact that procedure requires the Finance Committee members to approve the report and to sign it before it can be laid on the Table. It is to be laid this morning so this procedure had to be carried out. I apologise for this late start.

I have received apologies for absence from the Honourable Leader of Government Business, the Fourth Elected Member for George Town and the Second Elected Member for the district of West Bay, and also for the late arrival for the Third Elected Member for the district of George Town.

**STATEMENTS BY HONOURABLE
MINISTERS/MEMBERS
OF THE CABINET**

The Speaker: I have received notice of a statement from the Honourable Minister responsible for Tourism.
Honourable Minister.

**Boatswain's Beach – Cayman Turtle Farm (1983)
Ltd.**

Hon. Charles E. Clifford: Thank you, Madam Speaker.

Madam Speaker, on Friday, 29 September 2006, I debated a Government motion in this honourable House with respect to the US\$8.8 million government guarantee for the Boatswain's Beach project. There were a number of press reports covering this debate and a few matters in those press reports which require either a response or some clarification.

Madam Speaker, the first story was a headline article in the *Caymanian Compass* entitled "Boatswain's needs another \$8.8M". That story made reference to my comments during the debate with respect to the decision by the former chairman of the Cayman Turtle Farm Board (and now Leader of the Opposition) to award the construction contracts to a coalition of small contractors without first providing the necessary guidance, advice and counselling to these companies to ensure that they were structured appropriately for such a large project.

Madam Speaker, in the same story the now Leader of the Opposition responded to my comments by saying, "With regard to the decision to use local contractors, the public knew, because I made a statement on this, that I was going to encourage the Board to give the business to local people. Charles was a member of the Board and he agreed with that, and he cannot say otherwise."

Madam Speaker, I assume from that statement (and it is clear from other statements by the Leader of the Opposition which appear in the *Cayman Observer* today) that he is referring in his comments to the way I voted in board meetings. Madam Speaker, as his Permanent Secretary at the time I consider that I had a duty to support his policies in board meetings because civil servants have a responsibility to support the policies of the government of the day, and the minutes of the board meetings and associated resolutions will reflect that fact on every matter decided by the board. Madam Speaker, you, the Leader of the Opposition, and indeed all Members of this House understand what is required of civil servants.

The minutes will also reflect, Madam Speaker (and it is confirmed in the *Cayman Observer* article) that on several occasions I cautioned against certain actions, including using GC Ventures Inc. [GC Ventures Corp. Ltd.] as a financing middleman for financing the development of Boatswain's Beach. I understood my responsibilities as a civil servant.

I hasten to add that the Leader of the Opposition was unequivocally aware of my objections and concerns, and, indeed, the concerns of others which were expressed to him outside of the board meetings. It was strenuously suggested that the contracts should be tendered; that we should not award such major contracts to small contractors unless we had first provided the assistance they required to successfully deliver on the contracts, otherwise we could be setting them up to fail; and that there was no need to engage GC Ventures Inc. [GC Ventures Corp. Ltd.] as a financing middleman as this would unnecessarily burden the Cayman Turtle Farm with additional expenses which could be used on other more important and pressing matters. Madam Speaker, unfortunately the advice was not accepted and GC Ventures Inc. [GC Ventures Corp. Ltd.] had to be paid US\$594,948.83 by the Cayman Turtle Farm.

Madam Speaker, the second story appeared in *Cayman Net News* as a headline article on 3 October 2006, and was entitled "Turtle Farm Deals Queried".

Madam Speaker in covering my comments with respect to GC Ventures Inc. [GC Ventures Corp. Ltd.], that story states on page 2, "**Mr. Clifford included in this list the hasty incorporation of a financing company, GC Ventures Inc. [GC Ventures Corp. Ltd.] - comprising Mr. McKeeva Bush, his "business partner," David Berry, another friend, Suresh Prasad and, a Carson Wynne of the United States . . .**"

Madam Speaker, it is only fair that I correct that part of the story because I never said that the Leader of the Opposition was a member of GC Ventures Inc. [GC Ventures Corp. Ltd.] Here is what I said about that matter, and this comes from the verbatim *Hansard* report of the debate: "**Against my advice and others who were around the table, once again,**

the former chairman of the Cayman Turtle Farm (and now Leader of the Opposition), in promoting this redevelopment project, chose to bring in a team to essentially facilitate the financing of the project. This was a three-man team that was incorporated as GC Ventures Inc., [GC Ventures Corp. Ltd.] and the three individuals involved in this particular company were Mr. David Berry, who is the business partner of the Leader of the Opposition in his real estate firm; Mr. Suresh Prasad, who is a close acquaintance of the Leader of the Opposition; and a man by the name of Mr. Carson Wynne from the United States." [2006/7 *Official Hansard Report* page 361]

Madam Speaker, the rest of the comments in the article regarding GC Ventures Inc. [GC Ventures Corp. Ltd.] are correctly reported.

In concluding, Madam Speaker, I wish to reiterate what I have said publicly before, and that is that history will record that it was the irregularities on the Boatswain's Beach and Port Authority projects that weighed very heavily in my ultimate decision to resign from my post as Permanent Secretary in July 2004. Madam Speaker, I saw our country being taken down a very precarious path in 2004, and I determined then that I could no longer deliver on my responsibilities as a civil servant to support and implement the policies of the government of the day. I then exercised my only remaining option, which was to tender my resignation from the post of Permanent Secretary.

Thank you, Madam Speaker.

PRESENTATION OF PAPERS AND OF REPORTS

The Report of the Standing Finance Committee on the 2nd Supplementary Annual Plan and Estimates for the Government of the Cayman Islands for the Financial Year ended 30 June 2006

The Speaker: Before I call on the Honourable Third Official Member, I have been asked by the Honourable Leader of the Opposition to give a personal explanation. The Standing Orders allow me to take this between two items of business, so I will recognise the Honourable Leader of the Opposition at this time.

PERSONAL EXPLANATION

Statement by Honourable Minister of Tourism, Environment, Investment and Commerce on 29 September 2006 regarding the Turtle Farm/Boatswain's Beach

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

Madam Speaker, I beg your indulgence to allow me the opportunity to refute a number of inflammatory and inaccurate statements made by the

Tourism Minister in the honourable House on 29 September 2006 regarding the Turtle Farm/Boatswain's Beach project. I hasten to say he further compounded that just a minute ago.

Madam Speaker, the Honourable Minister of Tourism, Environment, Investment and Commerce appears to have a selective memory when it comes to a number of things, and in this case he must have had a total memory loss. I would, through you, Madam Speaker, remind the Honourable Minister of the facts regarding the issues he raised last Friday. I will take them point by point in the order in which he raised them.

1. **Contracts were "simply" not tendered:** Madam Speaker, at the time when we began this project, the Government and the Board of Directors of the Turtle Farm approached a method used in relation to the tendering of works for the redevelopment of Cayman Turtle Farm. The minutes of the board meeting of the Turtle Farm held on 27 March 2002 will bear out this fact showing that the Tourism Minister himself (then the Permanent Secretary), who was present at the meeting, was in favour of the process. Those minutes will also show that I, as chairman, proposed to the board that small contractors should be used on the project, and I should say, Madam Speaker, no more than I did to Executive Council at the time.

I proposed to meet with the contractors to review the management of the project and then also to meet with the contractors and quantity surveyors. It was left to the Board to agree on the safeguards for the redevelopment plan and to set the parameters for the various entities to work within. There was a suggestion that the Turtle Farm's general manager should obtain the advice of CTF's (that is Cayman Turtle Farm) attorney-at-law regarding the formation of a construction consortium.

Madam Speaker, I should say here that at that meeting I chose to bring in the other two Elected Members for West Bay, as the Fourth Elected Member was already a board member. Since the project was such a huge one and they being Elected Members for West Bay, we brought them in as guests to hear the presentations.

"Mr. Clifford, [that is the Permanent Secretary at the time] supported this idea, [I am now quoting directly from the minutes, Madam Speaker] and said that it was also necessary to obtain a formal agreement signed by the four contractors."

Further, as chairman, I stressed that (and again quoting from the minutes) **"... it was imperative that [Cayman Turtle Farm] CTFL should have a clear direction of procedure and that a motion be formulated and sanctioned by the board in that regard."** I suggested that quotations should be obtained from other contractors so that competitive pricing could be received as the chosen companies had to bid on the project.

Again, a direct quote from the minutes: **"Mr. Clifford [the then Permanent Secretary] commented**

that the whole purpose of receiving competitive bids was so that the entire project would not fall to one company, but could be spread among many, and that was exactly what had transpired when the four . . . contractors had been brought on board." To say now that contracts were "simply" not tendered can only be a piece of mischief-making on the part of the present Minister, as the records bear out what I have said.

Madam Speaker, I have from the Floor of this honourable House explained the reasons and vision behind this decision on more than one occasion, and I stand by that decision—that small contractors in Cayman get the business, because if they quoted against the big contractors they would not be able to compare.

Members will learn that a significant portion of the contract and purchases made on this project was done on a competitive tender basis. I am confident that the review of the Auditor General will also indicate that what I have said is in fact the case.

2. **Coalition of small contractors to bid on the project:** Madam Speaker, the present Minister, who was then the Permanent Secretary and member of that board, is now at pains to discredit the decision by the board to use a coalition of small contractors on the Turtle Farm redevelopment project and to distance himself from that process. What a laugh!

Madam Speaker, he is clearly being disingenuous because he has not told this House or the Caymanian people that he in fact supported this approach. Again, Madam Speaker, the minutes of the meeting of 27 March 2002 will show this.

In fact, Madam Speaker, this matter was dealt with in a motion by the board which reads as follows: **"The Board of [Cayman Turtle Farm Limited] hereby resolves to enter into a negotiated contract with preferred local contractor(s) for the construction of Phase II of [Cayman Turtle Farm Limited's] redevelopment plan.**

"Be it further resolved that the contract price will be established after the preferred contractor(s) have priced the Bill of Quantities, which will be compared to the estimates of two (2) independent cost consultants using the same Bill of Quantities.

"Be it therefore now resolved that the Board awards the construction contract using the foregoing methodology, and subject to all other necessary professional advice and services."

That was the motion, Madam Speaker—

Hon. Charles E. Clifford: Madam Speaker—

Hon. W. McKeever Bush: The motion—

Hon. Charles E. Clifford: On a point of clarification.

Point of Clarification

The Speaker: Honourable Minister responsible for Tourism, can I hear your point?

Hon. Charles E. Clifford: Madam Speaker, I think I understood the Leader of the Opposition to be saying earlier on that the contracts were tendered. Now I hear him talking and confirming about the “preferred contractors” and the fact that the Farm had resolved to negotiate directly with them. I wonder if he would confirm, then, that because of that, clearly the contracts were not tendered.

The Speaker: Honourable Leader of the Opposition, would you clarify that point for the Honourable Minister, please?

Hon. W. McKeeva Bush: Madam Speaker, the Minister was then a member of the board. He was the Permanent Secretary who knew quite well . . . and I had no other advice from him to do otherwise, and the board was satisfied that the motion put was the proper thing to do. I am quoting from the minutes and that is all I would say.

[Inaudible interjection]

Hon. W. McKeeva Bush: That—sorry?

[Inaudible interjection]

The Speaker: Could you clarify for him? At the beginning of your personal explanation you spoke of these being . . .

Honourable Minister, could you repeat your question for me so that I can get it clear also?

Hon. Charles E. Clifford: Thank you, Madam Speaker.

Madam Speaker, the Leader of the Opposition indicated in his statement just a few minutes ago that the contracts were tendered. Now he is saying that preferred contractors were identified and negotiations took place with the preferred contractors. He quoted that from the minutes, which clearly demonstrates and confirms that the contracts were not tendered. I am simply asking him to confirm that.

While he is at it, Madam Speaker, he ought to be totally transparent and refer to those parts of the minutes where I objected to a number of things. There are a lot of minutes. I have them here.

The Speaker: Honourable Minister of Tourism, we are not going to get into the Turtle Farm’s minutes because I am of the opinion that these board minutes are confidential until we have freedom of information and we allow all board minutes to be public documents.

However, Honourable Leader of Opposition, I will ask you to clarify for the Minister that you did say

the contracts were tendered and now you are saying that preferred contractors were brought on board.

Hon. W. McKeeva Bush: Well, because, Madam Speaker, the Member quite knows what the process was and the motion spells out the process. The Turtle Farm chose contractors, but they have made them tendered. We just did not say, ‘*Here is the job. Tender it against the Bill of Quantities as done by our quantity surveyors.*’ That is what the motion says, Madam Speaker, and I have no apologies about it. I have no apologies, Madam Speaker, that that is the process. That is the process. I told Executive Council that is the process, I told the country, and the minutes will show that the country got value for money.

The Speaker: Honourable Leader of the Opposition, am I understanding you to say that it was only the preferred contractors that were given the opportunity to bid, or is it—

Hon. W. McKeeva Bush: At that time. But, Madam Speaker, when I—

The Speaker: Okay, well would you continue—

Hon. W. McKeeva Bush: —finish my statement . . . at that time.

The Speaker: —with your personal explanation now, please?

Hon. W. McKeeva Bush: I have no problem with that. If that fills his belly, then that is okay. I am happy that I did what I said and I told the public what I said I will do.

The Speaker: Okay.

Hon. W. McKeeva Bush: However, that motion, Madam Speaker, was agreed on by all board members present. The present Minister, then the Permanent Secretary, was present at that meeting and made no objections.

In one of these contracts awarded through this process, the company which received the contract for the construction of the reception building in fact saved Cayman Turtle Farm an amount of \$60,065.55 on the bid. That is recorded in the minutes. Mr. Clifford, the now Minister and the then Permanent Secretary, himself seconded the motion for the awarding of this tender to that company, as the minutes of the Turtle Farm board meeting dated 21 April 2004 will show.

In regard to the minutes, Madam Speaker, I am glad that you have made it clear that it is your preference. My preference is to read those statements and put them on the Table of this House. However, I am satisfied with your explanation and I am satisfied that the Auditor General will have these in his hands. However, I have them here.

The Speaker: Honourable Members, as the Speaker I took the decision not to have the Turtle Farm minutes laid on the Table of this honourable House because I personally feel that permission should be sought from the present board of directors. So, can we move away from the situation of laying the Turtle Farm minutes, please?

Hon. W. McKeeva Bush: Madam Speaker, thank you very much.

3. Salary Increases: Madam Speaker, the Honourable Minister has made reference to salary increases given to the Turtle Farm employees, suggesting that these were done just prior to the election as an election gimmick. What he has not told the House is that he was well aware that salary increases were in the works for the staff.

The fact is, we recognised from as far back as 2003 (and the process was started then) that staff at the Turtle Farm were badly in need of a salary increase. Some of their salaries had to be brought in line with other government departments and with private sector rates.

If you would allow me to explain, Madam Speaker, for instance, the Port, the Shipping and certain government departments' salaries, in comparing the managers' salaries to theirs, were ridiculous. Some staff members were still getting a dollar-something, two-something an hour and all this sort of foolishness. We changed that.

In fact, the minutes of the board meeting held on 15 July 2003 bear testimony that the Managing Director presented a comprehensive salary and benefits review, which the board discussed and the board had asked for. This included the Managing Director's position that any salary review should be "**accompanied by a review of the Farm's income and current cash flow**". That was in 2003.

This may have been one meeting at which the Honourable Minister was not present, but his Assistant Permanent Secretary at the time (today, the Permanent Secretary) was there. The Minister would certainly have been subsequently in possession of the minutes of the meeting.

The Honourable Minister of Tourism appears not to recall also that at the board meeting on 30 June 2004 Cayman Turtle Farm's Management presented the budget for 2004/2005 for review and approval. This included a 6 per cent budgeted increase for salaries, and it was noted that no increase had been given to the staff over two years. At this meeting the board, including the Honourable Minister of Tourism, approved salary increases "**based on staff performance over the past two years.**"

I am happy to have been the Minister who brought salaries of the Turtle Farm employees up to date. It was the right thing to do. Might I remind this honourable House and the Minister that the study that underpinned the salary increase was done by an independent company?

Madam Speaker, maybe some members got more than 6 per cent, depending on when the board looked at the budget and looked at their salary scale, but I think it was 6 per cent. It could have been more for some people.

4. Financing of the project: I would, through you, Madam Speaker, remind the Honourable Minister of the following, as it relates to the financing of the Boatswain's Beach project:

Firstly, Madam Speaker, the Minister is totally wrong when he states that Mr. David Berry is a business partner of mine. He seems to have, with tongue-in-cheek, said otherwise this morning. Of course, the Minister has the tools to check the facts before speaking, but since he has shown that he is more interested in discrediting me rather than providing truthful disclosure to the people of this country, he did not do so at the time.

Let me state, Madam Speaker, that Mr. Berry is not a business partner of mine. He has worked for Cambridge Real Estate Corporation in sales for several years. Outside of that capacity, Mr. Berry has other business interests that do not involve me or Cambridge in any way, shape or form. However, as part owner in the majority shares of Cambridge, I do not go against that. If he wants to improve himself by having a business, once it is legal, that is his prerogative. I would do that for any employee.

Now to the details of the financing . . . Madam Speaker, the Honourable Minister should have recalled the details correctly. When Cayman Turtle Farm (1983) Limited was seeking a financing partner for the expansion and redevelopment programme, the farm, of course, canvassed the local banks and was, in a word, disappointed with the response we received to our financing requests. Terms from the banks were limiting, expensive, and in no way got us the overall financing package we needed.

We next received an unsolicited proposal from a Caymanian company named GC Ventures Ltd. [GC Ventures Corp. Ltd.] The introduction of GC Ventures Ltd. [GC Ventures Corp. Ltd.] to the Turtle Farm was made by a member of the project management team, Mr. Danny Owens, which was completely in order for him to do, and the records of the minutes record this. GC Ventures Limited [GC Ventures Corp. Ltd.] had affiliations with US based Live Oak Capital, Ltd., William Blair & Company, and QuadCapital Advisors, and Canada based Prospect Ventures Inc. Mr. Carson Wynne, the principal of Prospect Ventures Inc. was also a director of GC Ventures Ltd., [GC Ventures Corp. Ltd.] but resigned his post in August 2003.

Madam Speaker, the Minister has made reference to the background of one of the principals of GC Ventures Ltd. [GC Ventures Corp. Ltd.] at the time, Mr. Wynne. It was discovered that at a point in his life he had voluntarily declared bankruptcy—years before the proposal for a financing package for Cayman Turtle Farm—and at the time of the proposal he was solvent and had no criminal record of any kind

and still, as far as I know, does not have any such record. Nevertheless, we did not work with him after that discovery. However, as advised by the person on the board familiar with such financing, there was nothing wrong with the financing proposal as put forward by that group.

It should be noted, Madam Speaker, that this finance team was known to Public Works and was qualified as a leading financing group in that they were on a short list of proponents for the now aborted PFI process for the Government Administration Building.

The group's proposal was presented to the Board of Directors of the Turtle Farm at a meeting held on 5 February 2003. Again, the Honourable Minister, then the Permanent Secretary, was himself at this meeting. The proposal called for, among other things: that Cayman Turtle Farm Limited enter into a design-build agreement where the project would be delivered on a turnkey basis: fixed cost, fully funded; CTF, being a Crown corporation, would avail itself of the credit rating of the Cayman Islands Government; a 25-year fixed rate structure providing for level payments for a 25-year horizon, following which the development would be handled back to CTF.

Prospect Ventures recommended this option (1) as the appropriate long-term fixed rate capital to match a long-term asset, which is expected to improve in operating efficiency and performance over the 25-year horizon. The proposal received approval from all of the board members and the Farm's management was assigned the task to pursue this financing package.

I can say, Madam Speaker, that the now Minister (who was then the Permanent Secretary and a member of the board) did say to the board at the time, and I quote from the minutes, that **"while it was a good way to go to get financing, there had been mistakes made and he wanted the Turtle Farm to proceed cautiously."**

That was the sum of what he said to the entire board. I do not recall any other advice against the type of financing or the companies. None! None whatsoever! The records show that everyone, including the Minister (the then Permanent Secretary), decided to go forward with the financing and the companies.

The proposed fee for the company's services was 5 per cent of the final amount of the financing at the time of the presentation. The Farm's Managing Director was instructed by the Board of Directors to negotiate a lower fee. The shareholders (that is, Government) also asked for the fees to be reduced. The negotiations were successful, and on 9 May 2003 a 12-month Financial Advisory Services Agreement was signed between GC Ventures [GC Ventures Corp. Ltd.], with the fee having been reduced to 2.5 per cent. The funding agreement was given approval by Cabinet in April 2003.

For the record, the Board of Directors of Cayman Turtle Farm (1983) Limited was well posi-

tioned with a depth of expertise covering both the private and public sectors. In fact, Madam Speaker, one of the long-serving members of the board is a former senior partner in a local accounting firm, and was of the view that this type of project financing was a very good vehicle due to the very low interest rates. The minutes will also bear this out.

The proposed financing originally submitted was an off-balance sheet structured financing which was in line with the direction policy (the PFI process for the Government Administration Building) at the time. The development of this structure was complex. PricewaterhouseCoopers United Kingdom was employed to prepare the accounting structure and provide its opinion on the proper accounting treatment.

Having successfully completed all necessary work to undertake the bond issue to conclude this financing, the board gave final approval in October 2003. Cabinet also gave its final approval for the transaction in mid November 2003. However, on 24 November 2003, on a change in policy, the off-balance sheet transaction was deemed to be unsuitable, and, hence, the Farm was instructed to pursue on-balance sheet, non-direct obligation private placement bond issue, which would be guaranteed by the Cayman Islands Government.

A proposal from William Blair & Company and QuadCapital Advisors was subsequently presented, and William Blair & Company was subsequently engaged pursuant to an engagement agreement dated 4 December 2003.

GC Ventures Inc. [GC Ventures Corp. Ltd.] continued to serve in their role under the Financial Advisory Services Agreement under this new funding structure.

Madam Speaker, the financial role of a board of directors is to oversee the actions of management and to ensure that the corporation is tracking its strategic and business operating plan in a prudent manner. From time to time it is tasked with ensuring that the corporation's resources are expended efficiently and effectively in the execution of these plans where it can do so. The board was satisfied that not only did management deliver an excellent financing when measured in its proper context—on an all-in cost of capital basis—it in fact exceeded the success of Government in its own \$163.2 million financing bond.

A cost of capital analysis takes into consideration the coupon, or stated interest rate, together with fees. Comparing the government's direct bond financing with the Turtle Farm financing on an equal basis indicates that the Turtle Farm delivered its financing on equivalent terms, in fact bringing it in 0.15 per cent lower than the government's own effort.

The then Honourable Financial Secretary suggested that the management of the Turtle Farm enter into a negotiation to seek a voluntary reduction by William Blair & Company, QuadCapital Advisors and the members of the financial advisory team. Management entered into discussions with the finance

team and was able to effect additional fee reductions on a voluntary basis, aggregating \$894,000.

I remind the honourable House that we had contractual obligations to pay more and were satisfied that these levels represented sound value for money. We were pleased that the finance team sought to reduce fees voluntarily and the board records will also show that.

At a board of directors meeting held on 30 June 2004 the final ratification was given to make the final payments under the agreement. Again, the now Honourable Minister was present, and the records indicate that he agreed with the final payout.

Madam Speaker, the minutes of all meetings regarding the Turtle Farm and Boatswain's Beach redevelopment project will show that I, as Chairman, and the Board of Directors did the necessary due diligence for this project. They also show that the Minister supported this project all the way and, except for the one note of caution, he offered no other dissenting advice on any aspects.

How, then, in his statement could the Minister seek to mislead the House and the country about this project?

I will tell you how, Madam Speaker.

Every time the Minister is about to run into problems (as they did with immigration and recently with HSA) even slightly challenging his Ministry, he looks around for a scapegoat and he zeroes in on McKeeva Bush! Instead of focusing on solutions he has become accustomed to trying to discredit me and the work of the people who carried out their functions in the Ministry of Tourism while I was Minister.

Madam Speaker, he himself has acknowledged the soundness of this project and its benefits for the country. That is as far as he will go in giving credit. The rest of the time he shamelessly misleads this House in his naked attempt to make me into a scapegoat.

The Speaker: That is your—

Hon. W. McKeeva Bush: In so doing—

The Speaker: Honourable Leader, that is your opinion.

Hon. W. McKeeva Bush: Of course, Madam Speaker.

The Speaker: Okay.

Hon. W. McKeeva Bush: In so doing, he deals in half truths and innuendo, forgetting, Madam Speaker, that there are records around which hold the facts.

The Caymanian people are tired of this tactic, and the Minister should seek to get on with the job and bring ideas—if he has any—to this project and to our tourism product instead of having second openings and putting his name on a plaque.

I intend to call on His Excellency the Governor, Madam Speaker, and the Auditor General to move quickly on the value for money audit because of the allegations and to ensure that the Minister does not interfere with the wrong information.

Madam Speaker—

The Speaker: Honourable Leader, that concludes what was given to me as your personal explanation.

Hon. W. McKeeva Bush: I only have one thing to say, Madam Speaker.

The Speaker: I have not—

Hon. W. McKeeva Bush: “That the trial of your faith [Madam Speaker, this is from the Bible] being much more precious than of gold that perisheth, though it be tried with fire, might be found unto praise and honour and glory at the appearing of Jesus Christ.”

That is all I am concerned with, that my soul is right. I intend to tell no lies to this country. I say again, that I am going to call on the Governor, because I asked for the records of the meeting of the Port Authority and up until now I cannot get any.

The Speaker: I now call on the Honourable Third Official Member.

[Inaudible interjections]

PRESENTATION OF PAPERS AND OF REPORTS

The Report of the Standing Finance Committee on the 2nd Supplementary Annual Plan and Estimates for the Government of the Cayman Islands for the financial year ended 30 June 2006

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

Madam Speaker, I beg to lay on the Table of this honourable House the Report of the Standing Finance Committee on the 2nd Supplementary Annual Plan and Estimates for the Government of the Cayman Islands for the financial year ended 30 June 2006.

The Speaker: So ordered.

Does the Honourable Third Official Member wish to speak thereto?

Hon. G. Kenneth Jefferson: Yes, thank you, Madam Speaker, just some brief remarks.

Finance Committee met on 2 October 2006 to consider two matters: the 2nd Supplementary Annual Plan and Estimates for the Government of the Cayman Islands for the financial year ended 30 June 2006; and a motion that the Committee approve the Schedule of Supplementary Appropriations requested

for 2005/06, which is shown at section 9 of those estimates.

That Schedule contained 84 items, 50 of which requested additional Appropriations, while 34 items involved reductions to existing Appropriations. The net effect of these 84 items is an overall increase of \$11,500,100 to Appropriations for the financial year ended 30 June 2006.

Madam Speaker, the Committee approved the 84 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 9 of the 2nd Supplementary Annual Plan and Estimates for 2005/06.

The Committee also agreed that I report its deliberations to this honourable House, which I have now done.

Thank you, Madam Speaker.

The Report of the Standing Finance Committee on the 2nd Supplementary Annual Plan and Estimates for the Government of the Cayman Islands for the financial year ending 30 June 2007

The Speaker: 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 of the Standing Finance Committee on the 2nd Supplementary Annual Plan and Estimates for the Government of the Cayman Islands for the financial year ending 30 June 2007.

The Speaker: So ordered.

Does the Honourable Member wish to speak thereto?

Hon. G. Kenneth Jefferson: Yes, Madam Speaker, again, briefly.

Finance Committee met on 2 October to consider the 2nd Supplementary Annual Plan and Estimates for the Government of the Cayman Islands for the financial year ending 30 June 2007, and it also considered a motion that the Committee approve the Schedule of Supplementary Appropriations requested for 2006/07 and that Schedule was shown at section 6 in those Estimates.

That Schedule contained four items, three of which requested additional Appropriations, while one item involved a reduction to an existing Appropriation.

The net effect of these four items is an overall increase of \$3,030,000 to the Appropriations for the financial year ending 30 June 2007.

Madam Speaker, the Committee approved the four items on the Schedule, and it also approved the motion raised in the Legislative Assembly. The Committee also agreed that I report to this honourable House, which I have now done.

Thank you.

GOVERNMENT BUSINESS

BILLS

FIRST READINGS

The Supplementary Appropriation (July 2005 to June 2006) (No. 2) Bill, 2006

The Clerk: The Supplementary Appropriation (July 2005 to June 2006) (No. 2) Bill, 2006.

The Speaker: The Bill is deemed to have been read a first time and is set down for a Second Reading.

The Supplementary Appropriation (July 2006 to June 2007) (No. 2) Bill, 2006

The Clerk: The Supplementary Appropriation (July 2006 to June 2007) (No. 2) Bill, 2006.

The Speaker: The Bill is deemed to have been read a first time and is set down for a Second Reading.

SECOND READINGS

The Supplementary Appropriation (July 2005 to June 2006) (No. 2) Bill, 2006

The Clerk: The Supplementary Appropriation (July 2005 to June 2006) (No. 2) Bill, 2006.

The Speaker: Honourable Third Official Member.

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

I beg to move the Second Reading of a Bill entitled The Supplementary Appropriation (July 2005 to June 2006) (No. 2) Bill, 2006.

The Speaker: The motion has been duly moved and is open for debate. Does the Honourable Member wish to speak thereto?

Hon. G. Kenneth Jefferson: Thank you, Madam Speaker, just some very brief remarks.

Madam Speaker, the Bill now before this honourable House is a very simple one. It consists of two clauses and a schedule.

Clause 1 would give the name of the intended law and clause 2 indicates that the Bill, if passed into law, would permit the Supplementary Appropriations set out in the Schedule to the Bill to occur in respect of the Government's financial year ended 30 June 2006.

The items listed in the Schedule to the Bill are exactly the same, both in terms of their description

and monetary values, as the Schedule of Supplementary Appropriations shown at section 9 of the 2nd Supplementary Annual Plan and Estimates for the financial year ended 30 June 2006. Finance Committee approved the Schedule of Supplementary Appropriations on 2 October 2006, and consequently, Madam Speaker, all honourable Members of the House are familiar with the items shown on the Schedule to the Bill and have in fact approved these items in Finance Committee.

Accordingly, I would respectfully ask all honourable Members to support the Bill now before the House.

Thank you.

The Speaker: Does any other Member wish to speak? *[pause]* If no other Member wishes to speak, does the Honourable Member wish to exercise his right of reply?

Hon. G. Kenneth Jefferson: Just to thank all honourable Members, for their silent support, Madam Speaker. Thank you.

The Speaker: The question is that a Bill shortly entitled The Supplementary Appropriation (July 2005 to June 2006) (No. 2) Bill, 2006, be given a second reading. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. The Supplementary Appropriation (July 2005 to June 2006) (No. 2) Bill, 2006, has been given a second reading.

Agreed: The Supplementary Appropriation (July 2005 to June 2006) (No. 2) Bill, 2006, given a second reading.

The Supplementary Appropriation (July 2006 to June 2007) (No. 2) Bill, 2006

The Clerk: The Supplementary Appropriation (July 2006 to June 2007) (No. 2) Bill, 2006.

The Speaker: Honourable Third Official Member.

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

I beg to move the Second Reading of a Bill entitled The Supplementary Appropriation (July 2006 to June 2007) (No. 2) Bill, 2006.

The Speaker: The motion has been duly moved and is open for debate. Does the Honourable Member wish to speak thereto?

Hon. G. Kenneth Jefferson: Thank you, Madam Speaker. Again, just some brief remarks.

As with the previous Bill on the Order Paper, Madam Speaker, this Bill is exactly in the same format. It consists of two clauses and a schedule.

Clause 1 once again gives the name of the intended law and clause 2 indicates the Supplementary Appropriations set out in a Schedule to the Bill. Once again, Madam Speaker, the items in the Schedule to the Bill are exactly the same as those that have been approved by Finance Committee when it met on 2 October 2006, and therefore all honourable Members of the House are familiar with the items shown on the Schedule to the Bill.

I would ask therefore for honourable Members to support the Bill now before the House.

Thank you.

The Speaker: Does any other Member wish to speak? *[pause]* If no other Member wishes to speak, does the Honourable Member wish to exercise his right of reply?

Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Speaker, just to thank all honourable Members for their silent support.

The Speaker: The question is that a Bill shortly entitled The Supplementary Appropriation (July 2006 to June 2007) (No. 2) Bill, 2006, be given a second reading. All those in favour, please say Aye, Those against, No.

Ayes.

The Speaker: The Ayes have it. The Supplementary Appropriation (July 2006 to June 2007) (No. 2) Bill, 2006, has been read a second time.

Agreed: The Supplementary Appropriation (July 2006 to June 2007) (No. 2) Bill, 2006, given a second reading.

THIRD READINGS

Suspension of Standing Order 47

The Speaker: Honourable Minister of Education.

Hon. Alden M. McLaughlin, Jr.: Madam Speaker, I beg to move the suspension of Standing Order 47.

The Speaker: The question is that Standing Order 47 be suspended in order to allow the two Bills to be read a third time. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. Standing Order 47 is duly suspended.

Agreed: Standing Order 47 suspended to enable the Bills to be read a third time.

The Supplementary Appropriation (July 2005 to June 2006) (No. 2) Bill, 2006

The Clerk: The Supplementary Appropriation (July 2005 to June 2006) (No. 2) 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 June 2006) (No. 2) 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 June 2006) (No. 2) 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 Supplementary Appropriation (July 2005 to June 2006) (No. 2) Bill, 2006, has been read a third time and is passed.

Agreed: The Supplementary Appropriation (July 2005 to June 2006) (No. 2) Bill, 2006, given a Third Reading and passed.

The Supplementary Appropriation (July 2006 to June 2007) (No. 2) Bill, 2006

The Clerk: The Supplementary Appropriation (July 2006 to June 2007) (No. 2) Bill, 2006.

The Speaker: Honourable Third Official Member.

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

I beg to move that a Bill entitled The Supplementary Appropriation (July 2006 to June 2007) (No. 2) Bill, 2006, be given a third reading and passed.

The Speaker: The question is that The Supplementary Appropriation (July 2006 to June 2007) (No. 2) 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 Supplementary Appropriation (July 2006 to June 2007) (No. 2) Bill, 2006, has been read a third time and is passed.

Agreed: The Supplementary Appropriation (July 2006 to June 2007) (No. 2) Bill, 2006, given a third reading and passed.

The Speaker: That concludes the business of this meeting, and I will entertain a motion for the adjournment of this honourable House.

ADJOURNMENT

Hon. Alden M. McLaughlin, Jr.: Madam Speaker, I move the adjournment of this honourable House until 6 November, which will be the third Meeting.

The Speaker: The question is that this honourable House do now adjourn until 6 November 2006. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. This honourable House now stands adjourned until 6 November 2006.

At 12.19 pm the House stood adjourned until 10 am Monday, 6 November 2006.

OFFICIAL HANSARD REPORT
MONDAY
6 NOVEMBER 2006
10.09 AM
First Sitting

The Speaker: I will invite the Honourable Leader of Government Business to say prayers.

House condolences to the family of the late Mr. Thomas Jefferson.

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 Honourable 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 10.11 am

**READINGS BY THE HONOURABLE
SPEAKER OF MESSAGES AND AN-
NOUNCEMENTS**

Condolences

The Speaker: Before I offer apologies for absence, I would like to record in the *Hansard* of this honourable

Apologies

The Speaker: Apologies for absence: the Third Elected Member for George Town (will be off Island 6 to 10 November on official business), the Honourable Leader of the Opposition and the Third Elected Member for the district of Bodden Town.

I now recognise the Honourable Leader of Government Business.

Obituary – the late Thomas C. Jefferson, OBE, JP

Hon. D. Kurt Tibbetts: Thank you.

At this time, I wish, on behalf of this honourable House, to offer sincere condolences to Mrs. Bette Jefferson on the passing of her husband, Mr. Thomas C. Jefferson, OBE, JP, who passed away on Sunday morning, 29 October 2006.

Mr. Jefferson served this country in his capacity as a Civil Servant for many years, as both an Official and Elected Member of this honourable House. He served as Financial Secretary from 1982 through 1992, and was Head of the Civil Service from 1986 through 1992. He retired from the Civil Service and successfully ran in the General Elections for the district of West Bay, becoming an Elected Member of this House from 1992 to 2000 when he served as Leader of Government Business and Minister of Tourism.

Mr. Jefferson leaves to mourn his wife Bette, and his three sons, Stephen, Joel and Todd. We extend our sincere condolences to all the family of Bette and Tom.

I ask that we stand for a moment in honour of Mr. Jefferson, and we pray for the repose of his soul.

[Pause for moment of silence for the late Thomas C. Jefferson, OBE, JP]

Hon. D. Kurt Tibbetts: Thank you. You may be seated.

Madam Speaker, there will be an official funeral for the late Mr. Jefferson. It will be held at St. Ignatius Catholic Church, at 11 am on Wednesday, 8 November. That is Wednesday of this week.

National Day of Prayer

Madam Speaker, I also wish to crave your indulgence because members of the public and, indeed, Members of this honourable House may wonder re-

garding the National Day of Prayer, which was scheduled to be held here in the Legislative Assembly at 12 o'clock on the same day, Wednesday.

In speaking to the Ministers Association, they have agreed to change that day, and I am using this medium to also advise the public that it will be held the following day. The National Day of Prayer will be held the following day, Thursday, 9 November (Thursday this week) at 12 o'clock in the Legislative Assembly.

Thank you, Madam Speaker.

PRESENTATION OF PAPERS AND OF REPORTS

Safety of Small Commercial Waterborne Vessels – Own Motion Investigation Report 5 Prepared by the Office of the Complaints Commissioner

The Speaker: I recognise the honourable Chairman of the Committee with responsibility for the Complaints Commissioner.

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

I beg to lay on the Table of this honourable House a report of the Office of the Complaints Commissioner entitled "Safety of Small Commercial Waterborne Vessels". I do so in my capacity as Chairman of the Oversight Committee for the Complaints Commissioner's Office.

The Speaker: So ordered.

Does the Honourable Minister wish to speak thereto?

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

Madam Speaker, this is an own motion investigation prepared by the Office of the Complaints Commissioner. The investigation was carried out on the basis of allegations made to the Office of the Complaints Commissioner.

"Local water sport tour operators and residents expressed concern to the [Commissioner] regarding the apparent lack of regulation, or enforcement of regulation, of commercial waterborne vessels operating in Cayman waters, especially those that travel to the sand bar in the North Sound.

"Passenger-vessel safety is of great significance to the Cayman Islands' tourist industry. A major breach of safety—or worse, a capsized, collision, sinking or onboard fire with attendant loss of life—would do serious damage to the reputation of the Islands as a safe destination for activities using waterborne passenger-carrying vessels.

"The investigation considered the regulation, licensing, and certification of the crew of

such vessels, and the extent to which the vessels and crew are subject to any regime regulating seaworthiness and safety. It did not consider criminal sanctions.

Background

"Small commercial waterborne vessels (SCVs) play an important role in the passenger-transportation and tourism sectors of the Cayman Islands. SCVs [as they are called] include tenders used to transport cruise ship passengers, passenger ferries . . . excursion craft[s], submersibles, sport fishing boats for charter, power boats for charter or hire, specialty vessels . . . adventure vessels . . . and personal watercraft for hire including Jet Skis and kayaks.

"There may be as many as eight thousand passengers per day taking trips on SCVs. The trips vary in duration from fifteen minutes to four hours. Data from the Department of Tourism support the estimate that there were 2.6 million round-trip passengers in 2004. There are approximately one hundred watersports operations licensed by the Trade and Licensing Board."

Now, Madam Speaker, a summary of the conclusion and recommendations.

Summary of Conclusion and Recommendations

"In brief, the report concludes that, other than by way of the minimal safety requirements imposed on SCVs by the Port Regulations (minimum age for operator of 15 years old and presence of buoyant vest for each passenger, light buoys, anchor and rope, bilge pump, sound signalling apparatus, flares and fire extinguishers), the following categories of vessels currently operating commercially in the [Cayman] Islands are not subject to law-based regulatory control as to construction, operational safety, crew qualifications, inspection, equipment, or compliance/enforcement: domestic cruise ship tenders, coastal ferries, excursion passenger vessels, chartered fishing boats, power boats chartered or for hire, specialty adventure boats and personal watercraft for hire. There is no clear and rationalised system for enforcing regulations as between government entities.

"There exists the risk of a serious marine accident (capsized, collision, fire, or sinking) involving SCVs in Cayman waters by reason of one or more of the following: hull damage; improper modification of vessels; overloading of vessels; poor condition and stowage of lifesaving equipment; failure to maintain fire safety equipment; lack of formal training and certification of crew and operators; widespread lack of operational safety practices; traffic congestions; false sense

of security in current state of operations leading to operator overconfidence; lack of knowledge of search-and-rescue operations; consumption of alcohol by crew and operators.

“There are some good operators, and a few who demonstrate adherence to all appropriate standards.

“The clarification and improvement of the current regulatory scheme, proper enforcement, and an increase in regulation of SCVs is the way forward. Encouragement is drawn from the formation of an Inter-Agency Working Group for the Development of Regulations for Small Commercial Vessels, which held its first meeting on 24 July 2006. By 1 December 2006 it should produce for public consultation a Regulatory Impact Assessment document together with drafting instructions for legislation and regulations.”

Thank you, Madam Speaker.

Report of the Standing Public Accounts Committee on the Special Report of the Auditor General on the review of the Tendering and Awarding of the Debris Removal Contract in the Aftermath of Hurricane Ivan; and the

Report of the Standing Public Accounts Committee on the Special Report of the Auditor General on the Financial Statements of the Government for the six-month period ended 30 June 2003

(Deferred)

The Speaker: I call on the Honourable Leader of Government Business to ask for the deferment of these two reports, as the Chairman of the Public Accounts Committee is off Island for a medical reason with a family member.

Hon. D. Kurt Tibbetts: Madam Speaker, I so move the suspension—

The Speaker: The deferment.

Hon. D. Kurt Tibbetts: —of the relevant . . . Oh, sorry.

Sorry, Madam Speaker, we are speaking to the reports. I am going to have two things, then, because also for the questions the Member is not here. I would ask for the deferral of the reports as the Member is off Island, I think attending to family matters with regard to medical.

Madam Speaker, unless you want me to rise again . . . You would wish for me to rise again, so I will just leave it at that and ask for the deferral of the two reports.

The Speaker: The question is that the two reports under the Standing Public Accounts Committee be

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

Ayes.

The Speaker: The Ayes have it.

Agreed: The reports of the Standing Public Accounts Committee deferred.

Report and Recommendation of the Minister responsible for Lands on the proposed Vesting of Crown Lands Block 71A, Parcel 95 to the Estate of Absolom Jeffers

The Speaker: I recognise the Honourable Leader of Government Business, the Minister responsible for Planning.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, I beg to lay on the Table of this honourable House the Report and Recommendation of the Minister (myself) responsible for Lands under the Governor Vesting of Lands Law (1998 Revision) regarding Block 71A, Parcel 95 to the Estate of Absolom Jeffers.

The Speaker: So ordered.

Does the Honourable Minister wish to speak thereto?

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, Block 71A, Parcel 95 was unclaimed at the time of Cadastral and has since been held by the Governor of the Cayman Islands as Crown land unclaimed. A claim in respect of the parcel was submitted on behalf of the Estate of Absolom Jeffers. The parcel is located in East End, to the west of Farm Road in the East End interior. The subject land is approximately 153 acres.

A report on this matter was considered by the Governor in Cabinet, and after careful analysis and consideration of the reports provided by the Director of Lands and Survey, together with the documentation provided by the claimant to substantiate the claim, it was resolved on 10 August 2004 that the parcels should be transferred to the Estate of Absolom Jeffers.

In accordance with section 10(2) of the Governor (Vesting of Lands) (Amendment) Dispositions Law (1998 Revision) three valuations were commissioned: one from government's valuation section, and the others from private sector valuation companies. The Lands and Survey Department valued the property at \$485,000, Deloitte valued it at \$386,000 and JEC Property Management Ltd was \$1,333,000.

The disposition of Block 71A, Parcel 95 to the Estate of Absolom Jeffers, Madam Speaker, is subject to the following terms and conditions:

- Consideration payable shall be nil.

- Stamp duty on the subject transfers shall be waived.
- Registration fees on the subject transfer shall apply.

Also accompanying this Report are all the documents specified in section 10(2) of the said Law, including the valuation reports.

Madam Speaker, I just hasten to add that in recent times these reports that have been laid regarding the Governor (Vesting of Lands) Law are simply tidying-up exercises for grants done by the Cabinet prior to May 2005.

QUESTIONS TO HONOURABLE MINISTERS AND MEMBERS OF THE CABINET

The Clerk: Questions to Honourable Ministers and Members of the Cabinet, Suspension of Standing Order 23(6).

Suspension of Standing Order 23(6)

The Speaker: I do not think it is necessary to suspend the relevant Standing Order. I will ask the Honourable Leader of Government Business to have these questions postponed as the Member asking them is absent.

Suspension of Standing Order 23(5)

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker. Madam Speaker, I beg to move the suspension of Standing Order 23(5) due to the absence of the Member asking the questions on a medical matter off Island.

The Speaker: The question is that Questions Nos. 8, 9, 10 and 11 standing in the name of the Third Elected Member for the district of Bodden Town be postponed. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

Agreed: Questions Nos. 8, 9, 10 and 11 deferred in the absence of the Third Elected Member for Bodden Town.

STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF THE CABINET

The Speaker: I have received no notices of statements by Honourable Ministers or Members of Cabinet.

GOVERNMENT BUSINESS

BILLS

FIRST READINGS

The Land Holding Companies Share Transfer Tax (Amendment) (No. 2) Bill, 2006

The Clerk: The Land Holding Companies Share Transfer Tax (Amendment) (No. 2) Bill, 2006.

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

The Churches Incorporation (Amendment) Bill, 2006

The Clerk: The Churches Incorporation (Amendment) Bill, 2006.

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

The Customs (Amendment) Bill, 2006

The Clerk: The Customs (Amendment) Bill, 2006.

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

SECOND READINGS

The Land Holding Companies Share Transfer Tax (Amendment) (No. 2) Bill, 2006

The Clerk: The Land Holding Companies Share Transfer Tax (Amendment) (No. 2) Bill, 2006.

The Speaker: I recognise the Honourable Third Official Member.

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

Madam Speaker, I beg to move the Second Reading of a Bill entitled The Land Holding Companies Share Transfer Tax (Amendment) (No. 2) Bill, 2006.

The Speaker: The motion has been duly moved and is open for debate. Does the Honourable Member wish to speak thereto?

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

The Bill that is now before this honourable House seeks to amend The Land Holding Companies Share Transfer Tax Law (2003 Revision) which I shall refer to as "the principal Law".

The reason for the Bill that is now before the House is that during the course of inserting into the principal Law the changes made to the Stamp Duty Law by the Stamp Duty (Rates of Duty) Regulations (2006), a definition of “taxable value” was introduced at section 2 of the principal Law, in addition to a definition of “market value” that appears to have the potential to cause confusion as to the basis for calculation of share transfer tax, which is provided in section 3(2) of the principal Law.

Madam Speaker, essentially, we now have two definitions of “taxable value”: one definition is in section 2 of the principal Law, and the other definition is in section 3(2) of the principal Law. These two definitions are not the same, and therefore have the potential to cause confusion.

Madam Speaker, the title of the Bill states that its purpose is to clarify the meaning of “taxable value”—and this is done by deleting the definition in section 2 of the principal Law—thereby leaving only one definition of “taxable value”, that is the one at section 3(2) of the principal Law.

Madam Speaker, it has therefore been determined that a combination of the new definition of “market value” inserted into the principal Law and the existing section 3(2) definition in the principal Law is sufficient to give effect to the desired formalisation of the meaning and application of “market value” and that, therefore, the definition of “taxable value” in section 2 of the principal Law is not necessary. The Bill therefore simply seeks to delete it—that is, deleting the definition of “taxable value” in section 2 of the principal Law.

I therefore commend The Land Holding Companies Share Transfer Tax (Amendment) (No. 2) Bill, 2006, to this honourable House for passage.

Thank you, Madam Speaker.

The Speaker: Does any other Member wish to speak? *[pause]* If no other Member wishes to speak, does the Honourable Third Official Member wish to exercise his right of reply?

Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Speaker, just to thank all Honourable Members for their silent support.

The Speaker: The question is that a Bill shortly entitled The Land Holding Companies Share Transfer Tax (Amendment) (No. 2) Bill, 2006, be given a second reading. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. The Land Holding Companies Share Transfer Tax (Amendment) (No. 2) Bill, 2006, has been given a second reading.

Agreed: The Land Holding Companies Share Transfer Tax (Amendment) (No. 2) Bill, 2006, given a second reading.

The Churches Incorporation (Amendment) Bill, 2006

The Clerk: The Churches Incorporation (Amendment) Bill, 2006.

The Speaker: I recognise the Honourable Third Official Member.

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

I beg to move the Second Reading of a Bill entitled The Churches Incorporation (Amendment) Bill, 2006.

The Speaker: The motion has been duly moved and is open for debate. Does the Honourable Member wish to speak thereto?

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

The Bill now before this honourable House seeks to amend the Churches Incorporation Law (1998 Revision), which I shall refer to as “the principal Law”.

The reason for the Bill now before the House is to amend the principal Law to provide for: “**(a) the change of name of the Cayman Islands Mission of Seventh-Day Adventists to the Cayman Islands Conference of Seventh-Day Adventists;**”

Therefore, Madam Speaker, the change proposed is one of naming from “Mission” to “Conference” of Seventh-Day Adventists. “**(b) the change of name of the West Indies Union of Seventh-Day Adventists to the West Indies Union Conference of Seventh-Day Adventists; and (c) any future change of name for any church incorporated under the [principal] Law to be made by Order by the Governor in Cabinet.**”

The first amendment is to Part IV of the principal Law by deleting the heading “**PART IV – Cayman Islands Mission of Seventh-Day Adventists**” and substituting the heading “**PART IV – Cayman Islands Conference of Seventh-Day Adventists**”.

The second amendment is to section 29 of the principal Law by deleting the definition of the word “Church” and substituting the following: “**“Church” means the persons for the time being associated in the Islands under the name of the Cayman Islands Conference of Seventh-Day Adventists;**”

The third and fourth amendments are to section 30(1) and section 31 of the principal Law by: “**(a) deleting the words ‘Cayman Islands Mission of Seventh-Day Adventists’ wherever they appear and substituting the words ‘Cayman Islands Conference of Seventh-Day Adventists’; and (b) delet-**

ing the words 'West Indies Union of Seventh-Day Adventists' wherever they appear and substituting the words 'West Indies Union Conference of Seventh-Day Adventists.'"

The fifth amendment proposed to the principal Law is by inserting after section 73 the following section, and what would become section 74 if the Bill is passed into Law would read: "**74. The Governor in Cabinet may, by Order, amend the provisions of this Law in relation to a change of the name of any Church incorporated under this Law.**"

For the benefit of Honourable Members, I would like to briefly outline the rationale for the proposed amendments.

The Cayman Islands Mission of Seventh-Day Adventists has been operating as a Corporate Body at a Mission Level since its inception until 10 June 2004.

For clarity, a "Mission" in this context is defined as "**a united, organized body of local churches in a territory**". Such a mission forms a part of the Church's hierarchy known as a Union Conference.

The framework of the Seventh-Day Adventist Church allows for local Missions to attain Conference status based on a set of criteria, and these include: (a) an increase in the growth of the membership of the church; (b) a requirement to be financially self-sufficient; (c) a constitution whereby local members instead of the union exercise the privilege of nominating the President; Secretary and Treasurer to serve for a designated term; (d) the ability to operate primary schools and at least one high school; and (e) the employment of a moderate number of indigenous workers.

The Cayman Islands Mission of Seventh-Day Adventists met the above-mentioned requirements and was granted "Conference" status in June 2004. Therefore, consistent with the policies of the World Seventh-Day Adventist Church, it has become necessary for the corporation to change its name to "The Cayman Islands Conference of Seventh Day Adventists". A request for this change was put forward by The Cayman Islands Mission of Seventh Day Adventist Church. As the church was created by statute, the change of name requires the amending of legislation, namely Part IV of the Churches Incorporation Law (1998 Revision), the principal Law.

Madam Speaker, due to the possibility that similar changes may be necessary in the future for other churches, this Bill seeks to make a provision in the legislation whereby the Governor in Cabinet may, by Order, amend the provisions of this Law in relation to a change of name of any Church incorporated under this Law. That provision is addressed by the insertion of what would be section 74 of the principal Law if this Bill is passed.

Madam Speaker, I therefore commend the Churches Incorporation (Amendment) Bill, 2006, to this honourable House for passage.

Thank you.

The Speaker: Does any other Member wish to speak? *[pause]* 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 once again thank all honourable Members for their support.

The Speaker: The question is that a Bill shortly entitled The Churches Incorporation (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. The Churches Incorporation (Amendment) Bill, 2006, has been given a second reading.

Agreed: The Churches Incorporation (Amendment) Bill, 2006, given a second reading.

The Customs (Amendment) Bill, 2006

The Clerk: The Customs (Amendment) Bill, 2006.

The Speaker: I recognise the Honourable Third Official Member.

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

I beg to move the Second Reading of a Bill entitled The Customs (Amendment) Bill, 2006.

The Speaker: The motion 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, Madam Speaker.

The Bill now before this honourable House seeks to amend the Customs Law (2006 Revision), which I shall refer to as "the principal Law".

The purpose of the Bill is to amend the principal Law to allow customs officers to carry and use certain equipment and materials in the discharge of their duties. This is achieved by: (a) augmenting the powers of the Collector of Customs; (b) expanding the range of equipment and materials which may be issued to and used by customs officers; and (c) by making certain provisions for the role of customs officers in law enforcement.

As criminal methods and crime-fighting techniques have evolved over the years, so has the nature of the Customs Department, where safety, security and law and order are just as paramount as generating revenue. In carrying out their duties, customs officers face situations where human behaviour is unpre-

dictable and where situations can easily become dangerous for themselves and the general public.

At present, customs officers cannot, by law, carry equipment which can be used for protection and apprehension. They must rely on the availability of police to respond and assist in instances where detention or arrest is required.

The Bill seeks to amend the principal Law as follows: (a) Clause 2, which deals with the powers of the Collector provides that the Collector have governance powers in regard to training, clothing, equipment, appointment, prevention of neglect and promotion of efficiency and discipline.

(b) Clause 3 deals with the insertion of a proposed new section 9A, which pertains to the issuance of equipment. This gives the Collector of Customs the authority and control of providing customs officers with equipment, such as, handcuffs, batons, and defence spray, clothing appointment, cleaning materials, insecticides and other things deemed necessary when carrying out customs and related duties.

(c) Clause 4, which deals with law enforcement, would insert a new section 9B into the principal Law to allow the Customs Department to have the same powers and privileges as conferred on constables by the Police Law (1995 Revision), which would enable them to maintain and enforce law and order, preserve peace, protect life and property, prevent and detect crime, apprehend offenders, and assist other law enforcement agencies in carrying out their duties. But, Madam Speaker, clause 4 would not allow customs officers to carry firearms.

I therefore commend the Customs (Amendment) Bill, 2006, to this honourable House for passage.

The Speaker: Does any other Member wish to speak? *[pause]* 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 once again thank all honourable Members for their support.

The Speaker: The question is that a Bill shortly entitled The Customs (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. The Customs (Amendment) Bill, 2006, has been given a second reading.

Agreed: The Customs (Amendment) Bill, 2006, given a second reading.

The Speaker: The House will now go into Committee.

House in Committee at 10.46 am

COMMITTEE ON BILLS

The Chairman: Please be seated. The House is now in Committee.

The Landholding Companies Share Transfer Tax (Amendment No. 2) Bill, 2006

The Clerk: The Landholding Companies Share Transfer Tax (Amendment No. 2) Bill, 2006.

Clause 1	Short title
Clause 2	Amendment of section 2 of the Landholding Companies Share Transfer Tax Law (2003 Revision) – definitions

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 Landholding Companies Share Transfer Tax (2003 Revision) for the purpose of clarifying the meaning of the term “taxable value”; 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 Churches Incorporation (Amendment) Bill, 2006

The Clerk: The Churches Incorporation (Amendment) Bill, 2006.

Clause 1	Short title.
Clause 2	Amendment of Part IV of the Churches Incorporation Law (1998 Revision)- Cayman Islands Mission of Seventh-Day Adventists.
Clause 3	Amendment of section 29 – definition in this Part.

- Clause 4 Amendment of section 30 – creation of corporation and officers thereof.
- Clause 5 Amendment of section 31 – signing officers of corporations.
- Clause 6 Insertion of section 74 – Governor in Cabinet may amend by order.
- Clause 7 Savings and transitional provisions.

The Chairman: The question is that Clauses 1 through 7 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 7 passed.

The Clerk: A Bill for a Law to amend the Churches Incorporation Law (1998 Revision) to provide for an additional mechanism to change the name of any church incorporated under the 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 Customs (Amendment) Bill 2006

The Clerk: The Customs (Amendment) Bill, 2006.

- Clause 1 Short title
- Clause 2 Amendment of section 7 of the Customs Law (2006 Revision) – Powers of Collector
- Clause 3 Insertion of section 9A – issuance of equipment, etc.
- Clause 4 Insertion of section 9B – law enforcement

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 (2006 Revision) to allow customs officers to carry and use certain equipment and material in the dis-

charge of their duties; 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. The House will resume.

Agreed: Bills to be reported to the House.

House resumed at 10.56 am

The Speaker: Please be seated. The House is resumed.

REPORTS ON BILLS

The Landholding Companies Share Transfer Tax (Amendment No. 2) Bill, 2006

The Clerk: Reports.

The Landholding Companies Share Transfer Tax (Amendment No. 2) Bill, 2006.

The Speaker: Honourable Third Official Member.

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

I am to report that a Bill entitled The Landholding Companies Share Transfer Tax (Amendment No. 2) Bill, 2006, 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.

The Churches Incorporation (Amendment) Bill, 2006

The Clerk: Report on the Churches Incorporation (Amendment) Bill, 2006.

The Speaker: Honourable Third Official Member.

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

I am to report that a Bill entitled The Churches Incorporation (Amendment) Bill, 2006, 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.

The Customs (Amendment) Bill 2006

The Clerk: Report on the Customs (Amendment) Bill, 2006.

The Speaker: Honourable Third Official Member.

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

I am to report that a Bill entitled The Customs (Amendment) Bill, 2006, 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 at this time for fifteen minutes.

Proceedings suspended at 10.58 am

Proceedings resumed at 11.17 am

The Speaker: Please be seated. Proceedings are resumed.

GOVERNMENT BUSINESS

MOTIONS

Government Motion No. 6/06-07

Amendment to the Development Plan 1997 - Proposed Rezoning – Herbert Peintner

The Speaker: I recognise the Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, I beg to move Government Motion No. 6/06-07, which is an Amendment to the Development Plan 1997 - Proposed Rezoning – Herbert Peintner.

The Speaker: The Motion has been duly moved and is open for debate. Does the Honourable Minister wish to speak thereto?

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker.

First of all, let me read the Motion:

WHEREAS in 2005, the Central Planning Authority received an application for the rezoning

of Registration Section, George Town Central, Block 13D Parcel 259 (part) from Medium Density Residential to Heavy Industrial;

AND WHEREAS the [Central Planning Authority] originally considered the application on October 5, 2005 (CPA/24/05 Item 2.36) and resolved that the rezone application be put out for public comment[;]

AND WHEREAS the proposed amendments were advertised in the *Caymanian Compass* on December 5, 7, 12 and 14, 2005, in accordance with Section 11(2) of the Development and Planning Law (2005 Revision) and the application was placed on display in the Planning Department and during the comment period no letters of objections were received[;]

AND WHEREAS on March 15, 2006, the CPA again considered the application in light of the public review process (CPA/08/06 Item 4.3) and it was resolved to forward the proposed amendments to the Ministry with the recommendation that the proposed amendments be forwarded to the Legislative Assembly for approval [;]

AND WHEREAS on 19th September 2006, Cabinet approved the rezoning application and further that the matter be referred on to the Legislative Assembly[;]

BE IT NOW THEREFORE RESOLVED THAT in accordance with Section 10(2)(b) of the Development and Planning Law (2005 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 BE IT FURTHER RESOLVED that, Registration Section, George Town Central, Block 13D Parcel 259 (part) be rezoned from Medium Density Residential to Heavy Industrial.

Madam Speaker, the straightforward facts are, as the Motion outlined: in 2005 the CPA received the application for the rezoning of this parcel from Medium Density to Heavy Industrial.

The parcel involved has an approximate area of 13.6 acres, and it is situated immediately east of the Esterley Tibbetts Highway in the vicinity of the George Town landfill site. In fact, it butts and binds a section of the George Town landfill site. It is a portion on that side of the road where the Esterley Tibbetts Highway actually divided the parcel of land and there is another portion of the parcel on the other side of the road.

When the CPA originally considered the application, it resolved that the rezone application be put out for public comment, and, as the Motion says, there were no comments during that period of time. They then reconsidered the application after the time period had elapsed for comments and moved to send it on to the Ministry with a recommendation for the rezone.

Madam Speaker, it is my understanding that when the Esterley Tibbetts Highway was gazetted the owner of the parcel actually had said he would waive his right to apply for any compensation once this portion of the property that we speak to now was allowed to be rezoned as per the other parcels which were contiguous to that parcel of property. It is not just that fact, but I suspect that that was taken into consideration originally.

Madam Speaker, the fact that the parcel of land is located where it is located, it certainly is not a parcel that one would consider conducive to remain zoned as Medium Density Residential bearing in mind what adjoins it. So I think all logic has prevailed with regard to the rezoning and, hence, the Motion coming to Parliament in order to accommodate the rezoning.

I do not think that there are anymore relevant facts which need to be put forward, Madam Speaker. Certainly the Government recommends the Motion that is at hand, and I will wait to hear comments from Members.

The Speaker: Does any other Member wish to speak? *[pause]* If no other Member wishes to speak, does the Honourable Leader of Government Business wish to exercise his right of reply?

Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker.

I take it from the fact that no other Member wishes to speak that there is tacit support for the Government Motion, and I just wish to take this opportunity to thank Members.

The Speaker: The question is, be it now therefore resolved that in accordance with section 10(2)(b) of the Development and Planning Law (2005 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 be it further resolved that Registration Section, George Town Central, Block 13D Parcel 259 (part) be rezoned from Medium Density Residential to Heavy Industrial.

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

Ayes.

The Speaker: The Ayes have it. Government Motion No. 6/06-07 is duly passed.

Agreed: Government Motion No. 6/06-07 passed.

Government Motion No. 7/06-07

Pre-Disposing Factors to Criminality in the Cayman Islands (Deferred)

The Speaker: The Honourable Attorney General has sent me a note that the Honourable Chief Secretary would like to move his motion prior to Government Motion No. 7/06-07.

The question is that Government Motion No. 8/06-07 be . . .

Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Madam Speaker, I am sorry, I did not know that was what was going to be recommended, but the Leader of the Opposition did indicate that he would have wished to speak to that Government Motion about the autonomy of the Legislative Assembly and unfortunately he is not here today.

I just would not wish for him to believe that he was not going to be allowed the opportunity to debate because the way the Order Paper was we did think that it may have extended until Wednesday, but if that is how it has to be, then so be it.

The Speaker: Honourable Leader of Government Business, the only way that this Motion can be carried over until tomorrow, because there are just two motions left on the Orders of the Day today, is if it is going to be deferred.

Madam Clerk, can we have Motion No. 8/06-07?

Government Motion No. 8/06-07

Administrative Autonomy of the Legislative Assembly

The Speaker: Honourable First Official Member.

Hon. George A. McCarthy: Madam Speaker, I beg to move Government Motion No. 8/06-07 which is to grant administrative autonomy to the Legislative Assembly, in effect, removing it as a department from the Portfolio of Internal and External Affairs and granting it its own autonomy which is long overdue.

Madam Speaker, the Motion reads as follows:

WHEREAS Section 17 of the Cayman Islands (Constitution) Order, as amended, provides that there shall be a Legislative Assembly (of the Cayman Islands):

AND WHEREAS His Excellency the Governor in the assignment of responsibilities/departments to Ministers and Members of the Cabinet has assigned responsibilities for the Legislative Assembly to the Portfolio of Internal and External Affairs (Chief Secretary's Portfolio);

AND WHEREAS it is of fundamental importance that the doctrine of separation of powers be not only recognized but also observed;

AND WHEREAS it is now desirous of making the Legislative Assembly administratively autonomous, that is independent of the Portfolio of Internal and External Affairs and instead to be

administered by a Legislative Assembly Management Commission comprising of Members from the Government and Opposition and chaired by the Honourable Speaker, such a commission to be responsible for the overall management and administration of the Legislative Assembly;

BE IT THEREFORE RESOLVED THAT the Legislative Assembly gives its approval for the Legislative Assembly to be made into an administratively autonomous department and to be administered by a Management Commission comprised of Members of the Government and the Opposition and further that the Commission be chaired by the Honourable Speaker.

Madam Speaker, I beg to move this Motion.

The Speaker: The Motion has been duly moved and is open for debate. Does the Honourable First Official Member wish to speak thereto?

Hon. George A. McCarthy: Yes, Madam Speaker.

Madam Speaker, yourself as Honourable Speaker, and previous Speakers of this Legislative Assembly have recognised the need for the Legislative Assembly to cease from being a department under a Portfolio of the Government and for it to have administrative autonomy.

The basis for this, Madam Speaker, is that it is recognised that the Legislative Assembly is one of three autonomous Arms of Government entrusted with the management of the affairs of the Cayman Islands, with its primary being the formulation and passage of laws governing the Islands' administration.

Presently, the Parliament operates as a department which falls under the Chief Secretary responsible for the Portfolio of Internal and External Affairs and for the Portfolio of the Civil Service. The Chief Secretary, Madam Speaker, is also a Member of Cabinet. This means that Parliament is very much dependent upon forces outside of the realm of the Legislative Assembly with respect to decisions made affecting its human resources, finance and information technology needs.

The need for the establishment of Parliament as an independent body is entrenched in the doctrine of separation of powers, which is a fundamental building block of constitutionalism. Such separation, Madam Speaker, will give credence to the integrity of Parliament as an independent body through the establishment of the Legislative Assembly Management Commission.

The constitution of this Commission will include members of both the Government and Opposition sanctioned to ensure responsible handling of the affairs of Parliament which will guarantee that the best interests of both sides of this honourable House are taken into consideration when decisions are made, as well as to assure all Members of Parliament that such decision-making is not swayed by external forces. Precedence for such separation has been set by other

parliaments such as those in the United Kingdom and Canada, and more recently and closer to home in Barbados.

In 1990 Barbados executed its parliamentary independence with the formation of a corporate body known as the Management Commission of Parliament, which is responsible for the administration and overall management of the parliament. Additionally, the Commonwealth Parliamentary Association, in collaboration with the World Bank Institute, conducted a study group on the administration and financing of parliament in Zanzibar, Tanzania on 25 through 30 May 2005.

Some of the study group recommendations were:

- That the Commonwealth principles of accountability and relationship between the three branches of government—especially those relating to the independence of the legislature—should be implemented by all Commonwealth parliaments;
- Parliaments should, either by legislation or resolution, establish corporate bodies responsible for providing services and funding entitlement for parliamentary purposes and providing governance of the parliamentary service;
- That the corporate body should determine the range and standards of service to be provided to Parliament (example, accommodations, staff, financial and research service);
- That Parliament should have control of an authority to set out and secure their budgetary requirements unconstrained by the Executive Arm of Government;
- That Parliament should be served by a professional staff independent of the public service and dedicated to supporting parliamentarians in fulfilling their constitutional role;
- That parliamentary service should include not just procedural specialists, but staff with specialised expertise (example, in finance, in information and communication technology, human asset management, research and communications)
- That the statutory terms and conditions for the parliamentary service should be based on the needs of the legislature and not constrained by those of the public service.

Madam Speaker, it is recognised that the current office of the Legislative Assembly does not operate in the same fashion as other departments within government. The office is not only guided by General Orders and financial instructions of the Government, but also by the Legislative Assembly Standing Orders, which themselves impose strict deadlines and time restrictions on the creation, processing and dissemination of information within the office of Parliament.

For this reason, Madam Speaker, if no other, it would be prudent for the Parliament of the Cayman

Islands to be granted the freedom to appoint the staff that it requires, without constraints by the Portfolio of the Civil Service; to determine their own administrative arrangements within the precincts of Parliament; and the management performance that is desired as recommended by the study group, which (as I mentioned earlier) was the Commission.

Madam Speaker, the ability to attract and retain quality staff is highly dependent on any entity's ability to compensate and to offer attractive remuneration to potential employees, hence the turnover experience in fulfilling certain key positions within parliament, not necessarily of recent but in the past.

The establishment of the Commission would allow for these issues to be dealt with in house, thereby providing for the acquisition and retention of the quality staff that is desired, which can only lead to increased efficiency within the organisation of this Parliament.

Madam Speaker, I think I have said sufficient to demonstrate that there is a need for this to be done, and the bringing of this Motion at this time is very relevant and timely. I commend this Motion to this honourable House.

The Speaker: Does any other Member wish to speak? *[pause]* The Second Elected Member for the district of West Bay.

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

Madam Speaker, the Motion that has just been moved by the Honourable First Official Member is one, in principle, that all Members of the House are in support of. For a long time we have talked about having the Legislative Assembly autonomous from Central Government, and autonomous from, in particular, being a direct responsibility of one of the appointed Members of the Executive Arm of Government.

Madam Speaker, I do believe that this whole principle, though, is one that needs information to be forthcoming from the Government, giving a better and a clearer outline as to what this Motion is going to do in practical terms to the very workings of the Legislative Assembly and the staff here.

Madam Speaker, firstly, we have heard the arguments put forward in regard to having staffing be independent of Central Government, and I think all of us recognise that once you have an independent legislature that would be the case. What I have not heard is how those staff pensionable benefits will be handled. On the day of this new entity, which I presume to be a corporate body, what is going to happen as we transition out?

Madam Speaker, given the way that we have seen the arrangements work as a result of us being an overseas dependency of the UK, I also wondered how will the Commission that this Motion speaks to actually be appointed. When we look at the appointment of the Commission now that is going to be over-

seeing the management of the autonomous Legislative Assembly, we need to ensure that the actual creation of the Commission is one that rests within the control of the Elected Members of the Legislative Assembly. I do not believe it is going out on a limb to say that that is of critical importance if we are going to speak to the Legislative Assembly itself being autonomous.

Now, I know that over the years when we spoke to commissions/committees of the LA one thing that has normally been the practice is that those committees would be committees that are appointed by the Government. In this regard, I think that all of us would quickly agree that if we are going to have an autonomous Legislative Assembly that is to protect the rights and interests of all Members—irrespective of whether you are on the Government Bench or you are on the Opposition Bench—it is of vital importance that such a committee be one that I would presume would have equal representation with the Speaker then sitting as the Chair of the Committee.

Let us face it, Madam Speaker, irrespective of whether a Speaker is from inside the Legislative Assembly, outside the Legislative Assembly, at the end of the day, once we have a General Election the House needs to appoint a Speaker. The Speaker is the appointment of the Government. One would hope that whoever that choice is, is a person that enjoys the support of the entire Legislative Assembly because that is always the desire for a Speaker and the desire for all Members of the House.

Madam Speaker, as you know, the Opposition has the utmost respect for you and has always treated you cordially, and you know you enjoy our support. I have not heard the Government say that, but I presume that to be the case. However, you know, sometimes one has to get up and say things, but when we look at this whole issue of the autonomy, I have not heard the composition of the Committee, I think that is of vital importance. I think the House and the country need to be told that. We cannot be here assuming those sorts of critically important things.

Madam Speaker, let me make it clear that I do not think anyone was desirous of the Honourable First Official Member getting up and going through point-by-point all detail of what is going to happen. Obviously, he could not do that in the debate because I would have to believe that another critical point in regard to autonomy and the creation of an autonomous and independent legislature would be that at some point in time, once the Motion is passed and the Commission is appointed, that that Commission is going to have work to do itself.

So, a lot of thought and a lot of work is going to have to be carried to ensure that the bedrock upon which we now are going to build the Legislative Assembly is one that is not political, it is one that when all of us are not here we are handing an institution over one that is devoid of bias, one that does not have inherent flaws and weaknesses that the new persons

who will take our place would look at and say, *'What in the world were they thinking?'*

Now, when we look at the whole issue of the timing, I wonder if when the Honourable First Official Member exercises his right of reply, or some Member of the Government Bench, if they could give some indication as to what sort of timing we are looking at in this regard.

Madam Speaker, when I think of what the potential response will be from the reporting media and the public, I think we need to make sure that everyone understands that what is being done here by this Legislative Assembly by passing this Motion is an indication of us maturing politically and administratively and nothing else. I can see the letters starting to hit the press for those who wish to put a spin on this entire exercise.

I think a very simple message that needs to be told to the public is: if we are going to continue to improve our democracy, if we are going to continue to force ourselves to become more mature as a country, we cannot have a situation where the general public goes to the polls, votes for the candidate or candidates of their choice, send them to this Legislative Assembly, and then once we are here the Executive arm of Government ultimately has the responsibility for us in every way—staffing, fiscal responsibility—and ultimately makes all the decisions for us.

Now, play Devil's advocate. There will be those out there that say, *'Oh well, that's a good check.'* Well, it is not really a good check because all it is, is that we are taking the legislature and the purely elected arm of Government, and for those who do not sit in the Executive, we are simply making this institution called our Legislative Assembly continue to be subservient to the Executive arm of Government. Whereas the desire is to always have it be free and be independent of, so that you continue to have increased levels of autonomy and accountability.

In the ultimate sense, the desire is always to have an Executive arm of Government that, at some point in time, is answerable to the entire legislature because that is the check between elections. We are all answerable to the public every four years, but in between, what happens? Now, I will save my opinions on the system of government that is run in the majority of the Commonwealth and I will repeat those comments that I made a long time ago in terms of my personal feelings on how this entire system actually does not work, as well as we sometimes either think or tend to make the public believe.

Madam Speaker, when this Motion is passed, what is the timeline going to be? What are the goals that are being set for the creation of this autonomous body? What is going to be the legal structure of this autonomous body? How is that autonomous body then going to be incorporated into our current constitutional arrangements and our current budgetary arrangements, to ensure that the end product is what most of us are desiring?

I think if we all could see an X-ray of all 15 Elected Members' minds right now, while as I said in my very beginning most of us agree on the principle, there will be some divergence of views in regard to the actual practice and what is going to happen. Let me use a simple example.

In Trinidad a couple of years ago an Executive could not be formed after a General Election and there was a deadlock. For months on end—weeks at least on end—the Members who had just gotten elected were all told by their Parliament they were not going to get paid, because no one had gotten sworn in.

Those are the types of points that are good examples for what happens once you are independent, and that independence is truly strong and is not something that is a "play" independence. We need a real independence of the Legislative Assembly, and we need to have a Legislative Assembly that functions and stands on its own two feet.

So this exercise, Madam Speaker, is one that is very, very important and we have to get it right. This cannot be, *'Oh, well, let's do what we need to do and then we'll work out the kinks.'* I am not saying we are going to get it perfect, but we do need to ensure that we get it as close to right as possible.

Now, Madam Speaker, not to get too far ahead of myself in regard to some of the details, but one of the things that I think would be helpful is, after this Motion, for at least all of us to have some sort of meeting that gives a clear outline of where we are heading and gives us some opportunity to at least throw up some red flags in terms of some of the issues that are floating around in people's heads.

Another example to get back to the whole issue of staffing is: What is going to be the grievance process? To whom will staff go and lodge complaints? How will that whole process work? Again, that is detail. However, I think those are the types of points/issues that once we can get people's minds very comfortable with, everyone will feel a lot better in terms of us moving along the road and getting to the point where the outcome that we are hoping for is what we actually achieve.

Madam Speaker, in regard to the budget for the Legislative Assembly, I would presume that that would be something that will be the purview of the Commission and that the Commission would establish that budget, just as we do right now with some oversight committees of other government departments, namely the Auditor General and the Complaints Commissioner. That is, with the great exception being (I would assume) that this Commission will have a much more hands-on approach as it were, in ensuring that the budget gets us the desired outcomes that we wish to have as Members.

Madam Speaker, this country has moved a long way when I think back to what I heard people [say] in the debates that took place in the Legislative Assembly in the mid 80's. In the last two decades we

have moved a long way in terms of what the public accepts and demands from the Legislative Assembly and Members of the Legislative Assembly. In fact, Madam Speaker, perhaps I should put it the other way around: what the public demands, and by making those demands, what they then accept.

We never used to have things like MLA offices in districts before. We never had things like Research Officers. The public expect us to come and represent them in a professional, complete and comprehensive manner. One of the common misconceptions is that all Members of this House have offices up at the Glass House. If you know how many letters I get addressed to me via the Glass House, and then sent down to the Legislative Assembly. If you could know how many people call and say, *'Well, I need to meet you. Should I come to the Glass House?'*

So, how we are going to handle our own affairs internally is of critical importance. I believe that we are moving in the right direction. We have made moves in the right direction. Certainly, since my short time being an Elected Member, in these last six years we have moved in the right direction in terms of Ministers having the opportunity to have personal assistants and those sorts of things. We do need to make the next step where, I am not saying every Member but certainly the Membership of the House, is afforded other things like research officers, et cetera.

Right now the public, when they look at all these complex issues—and people are going to cry and complain about interest rates because they are on the rise right now—they expect all of us, not just the Government, to be able to debate with authority on their behalf versus the institutions, which are the banking institutions in the country.

Yet, Madam Speaker, other than if any of us are lucky enough to understand the concepts and if we are doing our own research or finding someone who understands the concepts who will do research for us on a free basis and will sit and meet with us, other than that, the representation falls down. I just use that as one example of one issue. There is no person in this world who is an expert on all topics; yet those very complex topics that float around out there are topics that our people expect us to be able to represent them on in an intelligent and comprehensive manner that allows us to make decisions that are going to benefit the country.

Madam Speaker, we certainly, I believe, are moving in the right direction but we need to make sure that how we get there leaves all of us satisfied and provides a bedrock building block for the future in terms of our own development.

So, Madam Speaker, with those very few and brief remarks, I thank you.

The Speaker: Does any other Member wish to speak?

Honourable Minister responsible for Education.

Hon. Alden M. McLaughlin, Jr.: Thank you, Madam Speaker. I feel very honoured and privileged today to have the opportunity to speak to a Motion as portentous as this one, and, as my good friend the Second Elected Member for West Bay has just said, a matter that has been discussed in these Chambers certainly since the time that I have been here and I believe much before that as well.

Madam Speaker, the administrative autonomy of the Legislative Assembly, I believe, is critically important to the continued evolution of the democratic system which we have. It is also, in this case, the fulfillment of one of the fundamental promises which this Government made during the election campaign, which is set out in a rather detailed manner in our manifesto.

The second section of the PPM manifesto is entitled "A New Culture of Governance", and what it outlines, Madam Speaker, and what I believe we have done almost from the moment we took up office is to seek to change the whole environment, the whole culture of governance in these Islands. It speaks to things such as honesty in government; government by the people, meaning a more consultative form of government, to improve parliamentary democracy.

"Government in the sunshine"—that is, more accountability, more openness, more transparency, debunking, Madam Speaker, the culture of secrecy in government which had obtained up until very recently. It spoke to the holding of regular press briefings so that the country, as a whole, would understand what was going on with government. It spoke to respecting human rights and it spoke to a government of laws—that is, a government which followed rules and regulations which upheld the rule of law.

It spoke to improved parliamentary democracy, the recognition of the rights of all Members of this Parliament to have a fair opportunity to consider and debate bills and motions, and that means affording them access to the information, giving them adequate notice of these matters.

It speaks also to some of the points (which, again, the Second Elected Member for West Bay raised) which are not currently available to Members of the Opposition, or even the Backbench generally. Those are: access to research officers and resource people who are able to assist them in considering, analysing and formulating appropriate responses to many of the important matters which come before this House on a regular basis.

It also spoke to constitutional modernisation, which is a matter the Government has said will be resumed very shortly as those discussions go on. However, in the context of this particular motion it spoke to separation of powers, and that is where I really want to concentrate in the few moments that I have to debate this matter.

Madam Speaker, I outlined those other elements of what this Government sees as really the important factors going to a new culture of governance;

a culture which brings accountability, openness, transparency, recognition of the rule of law, human rights and the other important democratic institutions. All of those things have to be considered in the round, and this is but one feature of that overall exercise of the evolution of our democratic system; an increase in the autonomy of the elected government; and the recognition of the importance of the separation of the Legislature from the Executive.

Madam Speaker, while we discuss these things it is important for us to understand that, in the Cayman context, the Executive often bears two definitions. In the generally understood sense, the Executive is Cabinet made up and chaired by the Governor, who is an appointment of Her Majesty's Government, and the Elected Members, as well as the three appointed Members, who are also appointed by Her Majesty's Government.

That is one manifestation (if I may use that word) of the Executive in the Cayman context. But the other is the Governor alone. So we have got to understand that despite a significant degree of control and autonomy which we exercise in Cayman, still laws in the Cayman Islands are made by the Governor with the advice and consent of the Legislative Assembly. So, it is still the Governor who makes the laws.

Indeed, until fairly recently the Governor sat in your Chair, Madam Speaker, as the Presiding Officer of this honourable House. So the fact that has changed is, again, I think a milestone, a benchmark in the evolution of the democratic system in these Islands, and I see this particular move as perhaps an even more portentous step along that way.

Obviously, Madam Speaker, the way the Constitution turns out after the consultation exercise and the negotiation exercise with the United Kingdom—in what the Government expects and intends to be shortly in advance of the next election—that will have a significant impact on how much autonomy we ultimately have. That is, the Executive in this House, does have in relation to matters some of which are still currently within the remit of Her Majesty's representative. This is again another step along that path.

Madam Speaker, the Second Elected Member for West Bay expressed some concern about what I think he termed the lack of information, the lack of detail which is set out in the Motion as to the structure, as to the operations, as to the implications of such a move. He expressed particular concern in relation to the staff issues. Might I say this, Madam Speaker? This Motion, which is only some five paragraphs long, is not intended to set out in any detail, really, the way the new arrangements for the administration of, essentially the Legislative Department, is to operate. That is never the function of motions.

The purpose of the Motion is to seek the will of all Elected and Official Members of this honourable House as to whether or not there should be administrative autonomy of the Legislative Assembly, free from direct control and intervention by either the Ex-

ecutive (in the first manifestation – that is, the Governor in Cabinet), or by the Governor himself, a function generally exercised by the Honourable Chief Secretary. That is the purpose of this exercise.

I want to assure the honourable Second Elected Member for West Bay, all Members of this honourable House, and the wider listening community, that in deciding what form the Management Commission takes in determining what structure ultimately comes into place in deciding what transpires in relation to staff, due consideration will be given to what the Second Elected Member for West Bay has to say about that, as will be the case in relation to every Member of this honourable House. What the Government proposes is that all Members of this honourable House sit in committee to talk about and seek to set up an appropriate framework to allow this to occur.

This is not a case, Madam Speaker—and perhaps the honourable Second Elected Member for West Bay can be forgiven for thinking that this might be the case given his previous experiences—it is not a case of the Government sitting down by itself and deciding on the particular course of action and the particular structure. In our usual manner, Madam Speaker, this will have wide consultation and transparency.

Just to allay any fears which may have come about as a result of something that the Second Elected Member for West Bay said in relation to what is going to happen to staff, what I can say (without knowing what the details are) is that any member of staff who is a member of staff and a civil servant would need to have no concern about their future, their prospects, their pensions, their privileges and benefits. Whatever is done would ensure that all of those things were preserved in the usual way, as is the case when any department of government is transitioned into a statutory authority, or company, or whatever the case may be. So I just want to allay any fears which might have been (unwittingly, I am sure) created as a result of what the Second Elected Member for West Bay said in that regard.

Madam Speaker, the debate by the Second Elected Member for West Bay, though, I think was a very useful intervention on his part. He did set out in his usual very capable way many of the important points which the Government has been considering in relation to these matters. I wish to commend him generally for what he said in relation to this matter.

Madam Speaker, I could launch into a long debate about the critical importance of separation of powers and all of those things, but I really do not think that is necessary, nor will it take this particular matter much further. I just, again, want to say that this has been the case with a number of the other things that we have done and some things that are on the way, like the Freedom of Information legislation, which I believe will shortly be brought to this honourable House. These are all the fulfillment of that fundamental promise to improve governance in these Islands; to

shore up, and in some cases build new, pillars to support the institution of democracy that promote and preserve openness, transparency, accountability, adherence to the rule of law that bring about and help to bring about and further the new culture of governance which this PPM Administration has brought about since we took office on 11 May last year.

Thank you, Madam Speaker.

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

Honourable Second Official Member.

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

Madam Speaker, there is much more that I could have said, but having listened to the Honourable Minister of Education a number of the observations that I would wish to make have been more or less covered. However, the honourable Member for West Bay had some observations about the practical workings of the arrangement that is being proposed, and maybe what we could do is sort of look to the Barbados experience which might provide us with a very useful guide.

In Barbados, Madam Speaker, the Parliament (Administration) Act was passed in 1989, but actually came into force in 1990. Under the Act there is a Management Commission which is responsible for the administration and management of the actual Parliament itself. This power, however, does not in any way affect the constitutional powers of the President of the Senate or the Speaker of the House of Assembly in Barbados, nor does it in any way affect the Standing Orders of the Senate or the Assembly.

In terms of the composition, Madam Speaker, the Commission is a body corporate and comprises the following members: Speaker of the House of Assembly, Ex-officio; Prime Minister, Ex-officio; Leader of the House of Assembly, Ex-officio; Leader of the Senate, Ex-officio; Leader of the Opposition, Ex-officio; four Members of the House of Assembly appointed by the House of Assembly; two Members of the Senate appointed by the Senate.

The Speaker there is the Chairman of the Commission and the Members who are not Ex-officio Members hold office for at least the duration of a Session of Parliament in which they are appointed.

The Commission is responsible for the appointment, discipline and control of the staff of the Parliament. That requires that the grading, pay, pensions, benefits and other condition of services with respect to the staff of Parliament are the same or similar to those in the public service, so far as consistent with the requirements of Parliament, of course.

The Commission may delegate any of its functions to the Chairman of the Commission, which is the Speaker. It may also delegate any of the functions to the Clerk, except the disciplining of staff. The

Commission holds or maintains ultimate responsibility for the administration and management of the Commission itself.

Indeed, Madam Speaker, according to section 6 of the Act, the Clerk of Parliament is the accounting officer of the Parliament and is responsible for all monies voted by the Parliament for the work of the Commission and for all monies paid into the Commission. The Clerk, however, must also prepare for each financial year an estimate, or estimates, of expenditure which must be approved by the Commission and then, of course, by the Minister of Finance.

All fees and other sums payable to the Commission are paid out of the general revenues and the accounts of the Commission are audited by the Auditor General. The Act also requires the Commission to report to Parliament each year on the exercise of its function in that year and to provide Parliament with a statement of the audited accounts.

This model is, I think, the one that we are really seeking to emulate. Of course, it has to be modified to reflect the local circumstances that obtain in the Cayman Islands. I believe, certainly, that this proposed model of management will permit the Legislative Assembly to achieve greater internal efficiency which could only serve to enhance its pivotal role in these islands and also to the extent possible is in keeping with the tenets of the separation of powers as we understand it in Westminster language.

Thank you.

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

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

Hon. George A. McCarthy: Thank you, Madam Speaker.

I would like to commend all honourable Members for their comments. I have noted the observations of the honourable Second Elected Member for West Bay, and I think his observations and concerns have been allayed or should have been allayed by the comments of the Honourable Minister of Education and the Honourable Attorney General.

Madam Speaker, for example, we have the Courts here as an autonomous agency. We see where the Chief Justice is the head of the Court system. If we were to look to the Legislative Assembly in terms of mirroring that agency we would have the Honourable Speaker, as the head of the Legislative Assembly, the Clerk would, in effect, function in the role of a chief officer similar to what now obtains in the Courts and also in Ministries and Portfolios of Government.

The Honourable Minister of Education pointed out, and this should be taken as a given, that the benefits of staff which they currently enjoy will not be

impaired. They will continue to benefit being members of the Civil Service Pension Scheme and the existing arrangements that are in place in terms of all other benefits in terms of free medical would continue.

Madam Speaker, in regards to developing the terms of reference that would be necessary to deal with staffing issues, the Commission as such, or through yourself, the Clerk, who would then become the chief officer, would not have to reinvent the wheel as such, because we have got in place regulations that are being drafted by central Government, and they could be adapted for the purpose of the governing staff arrangements of the Legislative Assembly as appropriate.

In terms of the timeliness, the honourable Second Elected Member for West Bay made the observation that we do not have a specific date at this point in time. But it would be my recommendation, and I trust the recommendation of the Government, that the Members of the Legislative Assembly, shortly after this Motion is passed, would form themselves into a committee in order to agree upon the remit of the Legislative Assembly Management Commission that is to be put in place.

Madam Speaker, I cannot see that being an insurmountable task knowing the efficiency with which you deal with business as the Speaker of the Legislative Assembly in terms of bringing honourable Members of this House together to agree upon this very important structure.

Once that is done, it should be done in time, I would imagine, to allow for the budget that will be considered for the upcoming fiscal 2007/08 financial year to be placed under the remit of the Legislative Assembly Management Commission. So, based on the information that was shared by the Honourable Attorney General, in terms of the structure that has been put in place to govern the management and operations of the Barbados Parliament, it would not take much for us to adapt what is there in order to put in place a structure in the Cayman Islands to ensure that the Parliament that is there operates as quickly as possible or moves to the level from being a department to that of an autonomous agency.

Thank you, Madam Speaker.

The Speaker: The question is: **BE IT THEREFORE RESOLVED THAT the Legislative Assembly gives its approval for the Legislative Assembly to be made into an administratively autonomous department and to be administered by a Management Commission comprised of Members of the Government and the Opposition and further that the Commission be chaired by the Honourable Speaker.**

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

Ayes.

The Speaker: The ayes have it.

Agreed: Government Motion No. 8/06-07 passed.

The Speaker: Proceedings will be suspended until 1.45 pm.

Proceedings suspended at 12.27 pm

Proceedings resumed at 2.14 pm

The Speaker: Please be seated. Proceedings are resumed.

Government Motion No. 7/06-07

Pre-Disposing Factors to Criminality in the Cayman Islands

The Speaker: I recognise the Honourable Second Official Member.

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

I beg to move Government Motion No. 7/06-07, entitled Pre-Disposing Factors to Criminality in the Cayman Islands, standing in the name of the Second Official Member responsible for Legal Affairs.

Madam Speaker, with your leave, may I read the Motion?

WHEREAS the Cayman Islands Government recognize[s] that one of the most effective ways to combat criminal behaviour is to try to ascertain why persons become involved in criminal activities;

AND WHEREAS in September 2005 the Government therefore commissioned a study to identify the pre-disposing factors for criminality in the Cayman Islands;

AND WHEREAS the study identified a number of pre-disposing factors that cause persons to become involved in antisocial behaviour and criminal activities;

AND WHEREAS the study also proffered a number of recommendations about how to address the abovementioned predisposing factors;

AND WHEREAS the "Report on Predisposing Factors to Criminality in the Cayman Islands" was laid on the Table of this Honourable House on 14 September 2006;

BE IT NOW THEREFORE RESOLVED THAT the Legislative Assembly hereby adopts the Report as the definitive study on the pre-disposing factors to criminality in the Cayman Islands;

AND BE IT FURTHER RESOLVED THAT the Legislative Assembly hereby authorizes the establishing of a multi-agency Task Force comprising of representatives from all the relevant Ministries and Portfolios as well as non-government organisations impacted by the Report

to be tasked with formulating plans to implement recommendations contained in the abovementioned Report.

The Speaker: The Motion has been duly moved. Does the Honourable Second Official Member wish to speak thereto?

Hon. Samuel W. Bulgin: Yes, Madam Speaker. On September 14, this year, I laid on the Table of this House the "Report on the Pre-disposing Factors to Criminality in the Cayman Islands." At the time of doing so, I put this House on notice that it was the Government's intention to bring a Motion in order to, among other things, allow honourable Members of this House to debate the contents of this very insightful Report.

The instant Motion, [Government] Motion No. 07/06-07, is in keeping with that promise.

In keeping with the Government's commitment to focus on the ever niggling crime situation in these Islands, just over a year ago, in September 2005, Cabinet gave its approval to the commissioning of an empirical study on the predisposing factors to criminality in these Islands.

The study contemplates identifying criminal risk factors and identifying strategies that would bring about an effective response. As a consequence, a consultant criminologist, Ms. Yolanda Forde from Barbados, was contracted to undertake this study. Ms. Forde is eminently qualified. She has over 15 years professional experience in criminological practice, specialising in policy initiatives which involve issues relating to judicial and correctional reform, transnational organised crime and crime reduction strategies.

Indeed, Ms. Forde, who received her specialised training in England and the USA, holds a degree in Sociology and Law. She has also completed her Master's Degree in Criminal Justice Policy at the London School of Economics and Political Science. Her professional expertise includes research and planning, the designing of rehabilitation programmes for persons in the Caribbean, as well as the implementation of youth development and criminality prevention programmes.

Understandably, she also wrote a number of various policy documents and did presentations on various topics covering such issues as *Crime in the Caribbean Societies—Implications for Investment and Economic Development; Alleviation of Criminal Activity; The V-shaped Model of Criminal Aetiology; Reducing Recidivism; Parents: The Primary Agents of Crime Prevention; Violence in Schools: Some Contributory Factors and Possible Interventions; Inmate Training and Rehabilitation: An important Aspect of Correctional Reform.*

It is evident from Ms. Forde's biography that she is suitably placed to conduct the instant study that is now the subject of debate in this House.

On completion, the Report was carefully considered by the Governor in Cabinet. Needless to say, we found the Report extremely well written, very informative, very insightful and, indeed, quite user friendly.

Madam Speaker, permit me to observe that, like in all other democratic society, there are the usual cynics, or skeptics, who think that the report is not telling us anything new, that it is not telling us anything that we were not already aware of. Suffice it to say that we welcome these observations because it tells us that even the cynics have read the report! That is really what we were hoping would have happened.

The Government understandably attaches considerable weight to the report. The Government is determined to ensure that the report and the recommendations contained therein are, in fact, implemented where it is in Government's remit to do so, and to otherwise facilitate the implementation of the other recommendations that are clearly outside the physical control of Government itself.

Additionally, the Government is heartened, and indeed encouraged, by the initial responses and reaction to the Report itself—responses from within Government as well as from the wider public. It would be remiss of me if I did not pause to express Government's immense gratitude to all the media, both print and electronic, for playing their part in assisting in sensitising the public about the contents of the report. Their contribution has not gone unnoticed, and I would therefore wish to go on record publicly recognising and applauding the efforts of our media in the dissemination of the content of the report itself. After all, Madam Speaker, crime is everybody's business. It therefore requires a partnership to manage it.

The terms of reference for this study were to:

- "i. **Identify the factors which seem to predispose individuals to criminality;**
- "ii. **Use an appropriate aetiological framework and research methodologies to collect and analyze relevant data.**
- "iii. **Construct a profile of the average incarcerated adult offender in Grand Cayman.**
- "iv. **Advise on any strategies and policies that would constitute an effective response to criminogenic factors cited.**
- "v. **Document the research findings, analyses and policy recommendations in the form of a report to the Attorney General of the Cayman Islands."**

Armed with these terms of reference, Ms. Forde embarked on her study. In the end she made a number of findings as contained in the Report that was laid [on the Table of this honourable House]. She also made some helpful recommendations to address the problems highlighted in the report itself.

On a closer reading of the Report, Chapter 1 to begin with, one of the things that can be seen is that the study has identified, among other things, that there is a causal relationship, a causal connection

between some inmates and their social behaviour, and their lack of involvement in any conventional activities which promote positive community relations and social order.

Madam Speaker, the Report points to the fact that individuals who are involved in constructive group-based activities are less prone to become delinquent. It quite usefully, in my view, reminds us that communities can use a number of strategies to promote healthy behaviour by communicating healthy beliefs and clear standards for behaviour to our young people. Indeed, the Report highlights the fact that our young people must have opportunities for active participation in family, school, and community. They must have consistent recognition or reinforcement for their efforts and accomplishments and that this must be coupled with equipping them with the skills necessary in order to succeed in any opportunities afforded them.

More instructively the Report seeks to challenge us as stakeholders and practitioners in the Cayman Islands community and redevelopment agencies to note along with the other factors the correlation between the lack of involvement in positive group-based activities and the risk of imprisonment.

In respect of Chapter 2, the Report behooves us to remember that research has shown that attending regular religious services and being involved in church activities is likely to foster social networks with positive influence on at-risk youth and therefore serve to reduce delinquent behaviour and, by extension, reduce crime. Accordingly, social order can be maintained by influencing members of society to religious and moral principles the Report pointed out.

For my part, and certainly for the Government, this ought not to be too much of a challenge for us as a society, or as a community. As noted in the Report, a significant portion of our population here in the Cayman Islands attend church regularly. This observation is consistent with the finding that approximately 93 per cent of the inmates at Northward and Eagle House attended church as children.

The question that therefore needs to be asked is: At what stage did the system fail these inmates? Where, along life's track, did they get derailed? The answer might be found in the very recommendations contained in Chapter 2.

They include a recognition that, as part of the preventative measure, our churches can play a more creative role by helping youth to forge pro-social relationships. The Report observed that churches should devise strategies through which the two phenomena—adolescence and Christianity—can happily co-exist. Indeed, this would afford our youngsters an opportunity to become involved in wholesome, positive activities whilst at the same time remain attached to the church community or the church as an institution.

Turning to another fundamental aspect of the Report, that is, Chapter 3 which deals with Education and School Experiences. The study, whilst recognis-

ing that underachievement as a criminal risk factor does not function independently of other crime generative factors, nonetheless makes the telling point that there is a strong link between low levels of educational attainment and crime.

At page 31 of the Report, the criminologist made reference to a ". . . **UNESCO Report which indicated that more than two million people are said to be completely illiterate and more than a third of the 11-year old children arriving at many of the secondary schools in Britain's inner cities are such poor readers that they cannot properly understand their textbooks. The Report attributed this to the increasing rate of violent crime against individuals in Britain which has increased a frightening 1200 percent in the last 33 years . . .**"

They went on to point out at page 32, paragraph 3.3, "**In the Caribbean, the picture is probably similar.**" It points out, "**In a study conducted in Barbados . . . , academic and vocational skills achievement measured low among the population of imprisoned offenders.**" This is from a report that was done in 1997, Madam Speaker. "**This research involved interviews with a sample of 110 male inmates and it was observed that of the 78 respondents who attended secondary schools, only 16 (20.5%) of them received some (CXC/GCE) certificates, the majority (79.5%) of them left school without any form of certification. Indeed, a well-established view in the aetiology of crime is that poor school performance is a significant risk factor with respect to delinquency and offending both during and beyond the school years.**"

Why is this relevant to us? It is relevant to us when you look at page 37 of the Report, where it speaks to "**A disturbing number of inmates [at Northward] described themselves as having learning deficiencies. Inmates were directly asked whether they had experienced any difficulty learning in school and 43.3% responded in the affirmative. An even more disturbing statistic, however, is that the majority of those who indicated that they had difficulty learning deficiencies did not believe that those deficiencies were addressed by the school system . . .**"

Madam Speaker, I am aware that this Report and the issues covered in this Report would have spanned a number of years. I am also aware that the Honourable Minister of Education and his team are not unmindful of the issues that have been articulated in this Report and are working very hard to address weaknesses identified in our education system.

Another aspect of the Report that required highlighting is to be found at page 45. It speaks to the issue of "**Lack of Adequate Parental Support to schools and teachers.**"

The Report points out that "**The significant contribution that negative socialization in the home and family dysfunction has made to the level of criminality in the Cayman society will be**

[addressed] in Chapter 5. However, in this section on Education and School Experiences, it is nevertheless critical to mention the damage that has been done by the lack of support from parent(s) to the school and teachers in the latter's effort to address issues involving their child. It can be confidently argued that a number of individuals now in detention at Bonaventure, in prison at Eagle House and at Northward would have traveled a more positive path had the parents [been] actively supportive of the school's attempt to work with their child who was underachieving or displaying delinquency. That said, many parents of children in these circumstances do not wish to take parental responsibility and would much prefer if the "government", in one form or the other, took primary responsibility for raising and correcting their child."

Madam Speaker, this, in my view, speaks volumes. I think that this is something that requires emphasis. I am aware of people who really have bad parents. But a good number of them are caught up with other activities and trying to do two jobs and do other things and at the same time—unintentionally, unwittingly—not providing the sort of oversight that all children require.

If we look at page 55, we will find the recommendations for this chapter to be particularly instructive. The recommendation reads: "First, it is imperative that a well-designed plan of remedial education is developed and firmly pursued in order to ensure that, from an early age, low achievers are given the kind of special and dedicated attention they need and deserve. This recommendation is supported by the 2005 Cayman Islands Report on Education which states that there must be 'a commitment in our schools to work with *all* students to improve their performance and to overcome obstacles to learning.'"

"Secondly, there needs to be a school program of technical and vocational education. . . This would most likely include, but not be limited to, the development of utilization of a technical training institute to teach viable income-generating skills. We must allow non-academics to leave the school system with more than just a low self-esteem. Moreover, after the age of compulsory school attendance, it is often at the discretion of the student to explore avenues to continue his education or training. However, it is apparently at this transition stage that many ill-equipped and inadequately educated individuals often enter the 'wasteland of unemployment' – out of school and out of work. They lack guidance and direction. This program should therefore be flexible enough to allow such persons, under some special arrangement, to remain in the system beyond the age of sixteen in order to leave that institution with some proper certification in a vocational or technical field."

Madam Speaker, the fourth recommendation says, "Fourthly, parents' involvement in a child's learning and school life is critical but one which falls outside of the strict purview of school authorities to control and influence. [This is at page 59 of the report.] Strategies must nevertheless be developed to achieve this goal. Lack of cooperation between parent and school tends to be bound up in the wider problem of irresponsible parenting and family dysfunction, matters that will be addressed in Chapter 5 [although some of those are covered here]. However, while we realize that some action must be taken to increase parent-school partnerships, the reality is that one is confronted with the difficult job of attempting to alter entrenched adult behaviour. Home visits to address difficulties are one approach that can be utilized by school authorities."

The fifth recommendation, Madam Speaker, says, "Fifthly, there needs to be a more proactive approach to crime prevention in the Cayman Islands. One area in which there can be early intervention is in the schools because, as the above discussion shows, authorities in these institutions—the teachers, guidance counselors, senior tutors, etc—are all well-positioned to see, in its embryonic stage, the behaviour that later mushroom into a full-fledged criminal career. Many teachers would confirm that they could have identified those students who were prison-bound because all the behavioural signs were on display in the school setting. In this regard, we must acknowledge that schools have a huge role to play in the crime preventive process. Everything must be done at this early stage to prevent the full flourishing of such conduct."

In other words, Madam Speaker, early intervention is paramount if we are to salvage or refocus some of our offenders.

The final recommendation on page 61 is also quite insightful. Paragraph 3.36: "[Finally], as Table 3A confirms, most of the inmates' school lives were terminated prematurely. It should be noted that pupils who do not complete school, either because they dropped out or because they were "put out", have always featured prominently in the offender population. With the ability to pursue good-paying jobs drastically reduced by reason of inadequate education, it is quite likely that their risk of criminal involvement would be significantly increased, given their history of deviant behaviour."

Madam Speaker, of equal significance, as far as this Report is concerned, is Chapter 4, which begins at page 63. This chapter examines matters such as inmates' past involvement in crime, and it is headed "Criminal Profile". It also examined issues such as the involvement with the juvenile justice system, substance abuse, rehabilitation and correctional challenges.

The Report, at page 66, sets out a table, showing a "Category of Offence" for which inmates are incarcerated. Perhaps looking at this table it is no surprise to any of us that drug trafficking offences represent the largest proportion of crimes in the distribution of offences in the Table. It accounts for a quarter of all the listed offences. When taken together with offences such as burglary—the second highest category—as well as theft and related offences, the study concludes that crimes of gain account for half of the offences for which persons are generally in prison.

Madam Speaker, the Report itself also focuses on something that we are all aware of, but which, understandably, gives us no comfort, and that is the issue of repeat offending. The Report highlights the fact that the majority of our inmates are, in fact, repeat offenders. It even goes further and uses the expression "perpetual offenders". This is borne out by the statistics which show that 90 per cent of the men in prison do have an arrest history. This observation about repeat offenders is also relevant, I might add, to those who are incarcerated at Eagle House.

Madam Speaker, it might be helpful if I just quote from the Report a section which sort of puts this in some sort of perspective as well. Paragraph 4.9 at page 70: **"Furthermore, it should be noted that compared to similar research done in Barbados and Jamaica, the Cayman Islands prison population is not that young."** I am sorry, may I just . . . I have got this all wrong. I crave your indulgence, Madam Speaker.

The Speaker: Seventy?

Hon. Samuel W. Bulgin: Yes. "Age of Inmates" paragraph 4.8: **"At the time of the study, more than half (59%) of the men at Northward Prison were under the age of 36 . . . This pattern is not unique to the Cayman Islands since crime is universally a relatively youthful phenomenon. What is however disturbing, and will be revealed when the main research findings are discussed, is that most of these individuals are recidivists and, moreover, repeat prisoners."**

Indeed, Madam Speaker, a notable finding, as I have just alluded to, is that at the time of the study some 56 per cent of the men in prison were under the age of 36 years old. While the Report observed that this is not unique to this jurisdiction, it nevertheless points out that most of the offenders are indeed repeat offenders, and also that some of the offenders are not growing out of crime but are instead becoming entrenched in crime.

At page 75 of the Report the point is made that: **"Contrary to popular belief, the punishment of imprisonment is not necessarily as effective a deterrent as people are led to believe. It can be extrapolated from the data that the rate of re-imprisonment . . . is 73.3%. Almost ¾ of the men interviewed in Northward and Eagle House indi-**

cated that it is not their first time in prison . . ."

There is a chart that is displayed on the page there which sort of gives a breakdown of first time in prison as well as other details, Madam Speaker.

The Report goes on to say: **"However, from a criminological and correctional standpoint this high rate of re-imprisonment comes as no surprise. While 73.3% is disturbingly high for the Cayman Islands given its small size demographically, re-imprisonment rates in the Western world are often high (usually over 50%) because it has been proven that prisons, in and of themselves, have minimal rehabilitative and deterrent effect and that in the absence well-designed and targeted programming, incarceration is often an expensive way of making "bad-behaved" people worse. It must also be noted that the current inmates are not only recidivists but in many cases, they are committing offences of sufficient gravity to warrant re-imprisonment as apposed to a non-custodial sentence."** A very slippery slope, if I might add.

Madam Speaker, I might just pause to make the observation that the Government is certainly aware of the problems as highlighted by these observations. Indeed, this is, among other things, what prompted the Government into enacting the Alternative Sentencing Law earlier this year, as well as taking other steps, all aimed at early intervention in order to assist in redirecting and refocusing some of our young offenders.

The issues raised in the Report, Madam Speaker, are understandably cross-cutting. They are multi-factorial and multi-dimensional. I am aware that, as a government, initiatives are being pursued by the Ministry of Health and Human Services, the Portfolio of Internal and External Affairs, together with input from the office of His Excellency the Governor, the Ministry of Education, as well as other agencies—and, in some instances, non-governmental organisations—all aimed at early intervention, sentence planning, rehabilitation and all the other constituent elements that are necessary to redirect our young people's energy, to reduce our prison population and to allow and assist our youngsters to develop their own self-esteem and to redirect their energy in a positive way.

It has to be recognised that given the history of what is documented here, there is really no quick fix. There is no one initiative that is going to provide any sort of a panacea, Madam Speaker. However, there is commitment to ensuring that these persons are, in fact, assisted and that the community itself functions in such a way as to discourage antisocial behaviour and, where some have already transgressed, to try and salvage them where, indeed, it is possible to do so.

Madam Speaker, the Report is recommending the provision of an alternative to juvenile incarceration, including, among other things, intensive counselling and treatment both for offenders and for the fam-

ily, as well as other wider sentencing options, which I mentioned that the Government is already pursuing. The Report calls for the establishment of a residential youth training and remand centre, as well as implementing a meaningful training programme for inmates of Northward.

The Report points out that it should have components such as vocational skills, life skills, pre-release assessment and exit interviews in order to determine care needs. Most fundamentally, Madam Speaker, there should be a post-release supervision and support programme and unit to assist with the resettlement of all our prisoners.

Madam Speaker, I must mention to you, some years ago when I was Solicitor General the Police brought to my attention the fact that there was a particular individual who had gone to prison for burglary, and it was an instance where he had broken into someone's place in order to get some money to buy drugs to feed his habit, his craving. He spent some time at Northward, and when he was released he was welcomed back into his community, a community that is well-known to us for drugs. He was welcomed back into his community. His peers threw a party for him. The menu included him being handed 25 cocaine rocks and Red Stripe beer. That was how he was welcomed back to his community.

When stories like this are told, it highlights the need for a post-release supervision and support programme. If these persons are released back into certain communities, it is not difficult to understand why they are going to re-offend. Unfortunately, some of the support that is provided to them is, in fact, unfortunate.

Madam Speaker, Chapter 5 of the Report deals with the critical issue of family background. A useful starting point, I think, is at page 134 of the report itself, which points out that: **"Families are one of the strongest socializing forces in life. Parents, as heads of the household, have a tremendous responsibility to inculcate in their children, from birth, the norms and values they wish them to possess. Parents are to be loving, attentive, accepting of their children and play a pivotal role during the critical years of their development. At the same time[,] parents have the responsibility to guide and direct their children in pro-social behaviours, offer consistent discipline and impart a wide range of positive principles for living. During their most impressionable years, [which usually begins at about 12 or 13, that is when they are most impressionable and, in some instances, precocious] parents are duty bound to teach their children honesty, the ability to delay gratification and to control unacceptable behaviour, respect for themselves, and respect for the rights and property of others."**

Parents do at that stage, Madam Speaker, ". . . have the first chance, and indeed the most critical chance to influence an individual's patterns of behaviour . . ."

Madam Speaker, on an examination of the criminal risk factors, the criminologist also examined the family background and experiences of inmates. The variables such as poor parenting skills, child abuse, illicit drug use, and rejection by parents were looked at. The findings conclude that a large number of mothers of inmates embarked upon parenting functions while they themselves were teenagers—that is, under the age of 20 years. The statistics speaks to some 46.7 per cent. The Report observed the scenario of teenage pregnancy, with children giving birth to children, and [that] the implications for proper child rearing are often catastrophic.

Madam Speaker, additionally, the study speaks to the amount of inmates that have suffered various forms of abuse while growing up. It points out that, **"The relationship between abuse and offending has been described as the "cycle of violence" or the "inter-generational transmission of violence""** It was accordingly recommended that there should be a provision for psychological counselling services on a frequent basis for inmates. There should be the implementation and development of family support programmes, and there should be institutional strengthening of the Department dealing with Children and Family Services.

Indeed, the Report speaks to: **"What is evident is that these hurting men, who have masked their pain over the years with tough exteriors, need, and have long needed, appropriate intervention to address the negative effect of experiences that have left them psychologically scarred and criminally pre-disposed. Had there been a different approach during the school years, many issues might have been resolved at that stage by counsellors. Clearly, they were not. These men are now in prison, usually not for the first time, and they are still hurting and still angry, factors which are most likely contributing to problematic behaviour. It is therefore recommended that . . . psychological counseling services be made available on frequent basis to the inmates at Northward and Eagle House. These services would allow the inmates to ventilate their feelings and get professional assistance in confronting and dealing with problematic emotions such as anger, resentment, remorse and deep-seated hurt. Against the backdrop of the above discussion, it must be emphasized that putting a mechanism in place through which issues can be responsibly addressed is not just a nice gesture for someone who has had an unhappy childhood, it is crime preventive in itself."**

Madam Speaker, the Report speaks to the fact, quite instructively, that: **"If the Cayman Islands do not have this range of family support programming, the country needs it . . . for reasons clearly detailed throughout this Chapter. There are families in our communities that are experiencing various levels of dysfunction and that are in need**

of therapeutic intervention. However [as a word of caution], all intervention cannot be state – driven.

“It is also recommended that the necessary legislative arrangements be made to place on a sound legal footing the ability of judicial officers to order mandatory family therapy in situations where the case reflects evidence of family breakdown.”

“Finally, institutional strengthening for the Department of Children and Family Services and the CAYS Foundation is recommended. These departments have a vital role to play in the crime preventive process simply because clients present daily with problems which are criminal risk factors in themselves – the parental neglect and rejection, child abuse, domestic violence . . . etc. In other words, these are all the factors which, as discussed throughout this Chapter, serve to pre-dispose individuals to criminal involvement. Therefore, these departments are not just our welfare and social services agencies; they are part of the country’s crime prevention strategy”

Madam Speaker, that pretty much sums up my summary of the issues ventilated in this report. The report at [page] 175 has a number of conclusions. It says that: **“Through the application of an appropriate criminological framework and a sound research methodology, this study was able to expose those factors that pre-dispose individuals to criminal involvement in the Cayman Islands. This entailed the critical examination and analysis of certain variables which reflected key life experiences, backgrounds, attitudes and behaviours of a sample of imprisoned offenders. In this regard, what has emerged is a profile of the average incarcerated offender [at Northward Prison].”**

Madam Speaker, I am sure there are other Members who wish to speak to the content of this report. My introduction of the Motion and debate might have been a little bit lengthy, but the Report itself, in my view, is of such gravity that requires careful analysis and at least some considered thoughts.

Thank you.

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

Honourable Minister responsible for Communications, Works and Infrastructure.

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

Madam Speaker, the fact that I have so much paper does not mean that I am going to prolong this debate. However, Madam Speaker, suffice it to say, it would be remiss of me if I did not speak on this study, the “Pre-Disposing Factors to Criminality in the Cayman Islands”, seeing what has gripped the people of my constituency over the last week.

Madam Speaker, the words of my dearly departed father keep ringing in my ears. He told all of his

seven children that there is no such thing as a bad child—it is bad parenting and he was not going to get caught up in that crime. Madam Speaker, the manner of discipline that my father meted out to his seven children I did not recommend then, nor do I recommend now. However, I can tell you what: When he flogged you, the only thing he left on you was enough breath to save him from being sentenced for murder!

[Laughter]

Hon. V. Arden McLean: While I do not recommend it, Madam Speaker, I can tell you what: The seven of us are still outside of jail. Maybe the fear he instilled in us helped us along that way. Maybe it was his own conviction that he was going to ensure that we made something of ourselves. I think we all did pretty good. I recall many a day that Ms. Olympia Watler had to jump on my father’s back to tear him off many of us. I also recall that whenever there was any little thing that pointed in the direction that we were going some place other than societal norms, Daddy was there—and he flogged every one of us, not one. If one committed it everybody got flogged.

I recall quite vividly throwing a young lady’s bag out of the bus after she hit me with a book. The next morning, Madam Speaker, my father took me to school and waited until we got out of the district of East End, stopped the bus while it was loaded and beat me in front of everybody, in the middle of the street.

Madam Speaker, I cannot say that these things helped me, but I can tell you what: I would like to think so. Today I love my two parents. I cannot say that I will ever treat my two children like that, but, certainly, my two children understand that they have a parent.

Madam Speaker, children come into this world with no point of reference in life; it is the individual who holds responsibility for them that gives them that point of reference for the rest of their lives. I strongly believe that and I will hold strong to that.

Madam Speaker, I have read the Report, quite extensively as a matter of fact, because it concerns me as to what is causing the crime in this country. Dr. Forde quite rightly pointed out that crime is not unique to Cayman. We see the results of the lack of community involvement in other places in this world, and in particular within the Caribbean. I believe that there are certain responsibilities that we as a community have to ensure that we have a society free, or with as little crime as possible.

Madam Speaker, on Friday when I made a statement to the press surrounding the tragic events that occurred in East End on the first, I spoke of that. One of the things that Dr. Forde talks about is the community involvement in trying to support young people in this country—not trying to, but certainly supporting young people, to give them a sense of belonging, a sense of value. She also spoke in Chapter 2 of

the religious participation, and I will get to that. However, let me for a very brief moment stop and talk about community involvement and tie that in with some other areas of the business community. Not only the family and social community, but the business community has a part to play in this as well.

When I was growing up there was such a thing called “the village concept” wherein, if I and your good self, Madam Speaker, did anything outside of our home and not in the presence of our parents, there was some other parent out there who was going to deal with you and me, and then my parents were going to deal with me the second time. I usually would prefer the first time because the people had a little pity on me.

Madam Speaker, immediately following our parents reaching an age where they could no longer be out in the community to mete out physical discipline, the responsibility then came to my generation. At this stage, the lack of “the village concept” in our country falls squarely on the shoulders of my generation, because we got so caught up in the almighty dollar that we forgot about our responsibility in raising someone else’s children and showing them the difference between right and wrong.

When we turned a blind eye, it resulted not only in them believing that they had the world on their shoulders, but it also came back to us in the form of them committing crimes against society and us individuals. I have always said that this country is a little too sympathetic to murder until it hits your own doorstep. If it is on TV too, we could not care less about it because we are going to sleep tonight and our families are around us. We need to pay a little closer attention to what happens with our next door neighbour’s children. We need to ensure that when they are away from their parents the same type of discipline is instilled by those of us who are not necessarily family.

Madam Speaker, one of the good things that Hurricane Ivan brought to this country was that we all of a sudden learned that less was more, in that we became a little more neighbourly; we became a little more friendly; we became a little more forgiving; we became a little more responsible; and we became a little more of being our brothers’ keepers. Two years hence and we are back to where we were prior to Hurricane Ivan.

Madam Speaker, if we think that at this time crime in our country, regardless of what percentage or what place the Cayman Islands holds in crime within the Caribbean, if we think that is not a direct result of us turning a blind eye and ignoring the behaviours that are against societal norms, then we have made a big mistake.

Madam Speaker, the Honourable Second Official Member talked about this Report and some of its findings of repeat offenders. One of society’s biggest problems in this country is that once someone commits an offence . . . and I am not saying we have to

not look at it at that time, but long before that, and I will get to that a little later on in my debate. Once someone commits an offence we find ourselves incarcerating these people, and then when they are released we turn our backs on them. That goes for all of us. Everyone in this country does it. No one is immune from that, Madam Speaker. No one is exempted from that—the businesses, the churches, society at large, everybody. Individually we do it. We do not give our offenders the second chance.

Madam Speaker, maybe if when some of those offenders came out of prison after paying their dues to society and we were to embrace them and give them jobs and give them an opportunity in life again . . . mind you, we may say that there comes a time when they do not want it. Well, they do not want it because they do not trust society any longer, and that is one of the main reasons for people re-offending. Society just throws us away. There are very few people coming out of prison after paying their dues in this society, who are given an opportunity. There are very, very few. You can count them on probably your ten fingers, and have a few fingers left as well.

Madam Speaker, if society does not try to give offenders an opportunity to get back into society, it is for naught. We will have no society. We will continue to have the crime visited against society, those of us who think we are good and high and mighty and religious. The others are going to feel offended by the way we treat them, and they are going to commit offences against us and against society.

Madam Speaker, Dr. Forde spoke about the religious participation as well in this Report and about how the majority of male inmates at Northward Prison attended church at some stage or another. I think that over 90 per cent of the people in Northward Prison attended church at some stage or another in their lives. To what end? The church represents the value system in our society, in any society, but it appears like people—young adults, adolescents—go to church merely to have it said they went to church and to keep the authorities off their back. What part is the church playing?

Madam Speaker, I recall when I was growing up that there were socials at all the churches. There was interaction at the churches. I know today a number of the churches are doing that and trying to get young people involved.

Madam Speaker, when I was growing up, the Seventh-Day Adventists . . . I have never been a parishioner of the Seventh-Day Adventist church, but I will always have respect for them because if you were registered as an attendee at their social on their Friday evenings, I think it used to be, trust me, somebody was coming to ensure that you were there Friday evening. There was no may be or perhaps, they were going to ensure every child that was registered there as an attendee the very first time, they were coming

around to your house to ensure that you were there. If you were not there they were coming.

Today, Madam Speaker, I am not of any concrete knowledge as to how it is done, but certainly I would like to think that something of that nature is done now, because the church has a role to play in society. I do not see a lot of churches going out as missionaries to save lives. Certainly, if you go to any church in this country you are welcomed with open arms. I notice in recent times the Adventist church comes around to your house religiously and leaves you their little tracts and invite you to church, something that I was used to when I was growing up.

Say what you want about Jehovah's Witnesses; but trust me, from the time I was a tot and they came here, they are at your door. It may not be every Sunday, but I believe they have always fulfilled their purpose of trying to win souls. How many other churches are doing that?

If you are not the child of a parishioner, are they going to get you? Are we seeing the churches in the areas that we need that kind of social values preached at on the sides of the roads and the bars? These are the things I believe, Madam Speaker, the churches involvement in society will assist. What is the interaction between the schools and the churches? These are areas that I believe that the church can assist in fulfilling the role of dissemination of the social values in this society.

Madam Speaker, when I said there is no such thing as a bad child, it is bad parenting, we know there are parents in our society, in every society, children having children. They do not even know the responsibility until it is visited upon them of what it is to raise a child. They do not know, children 16 years old, sometimes even younger. I do not even know how the police do not send the men to jail.

The Speaker: Honourable Minister, is this a convenient point to take the afternoon break? Proceedings will be suspended for 15 minutes.

Proceedings suspended at 3.33 pm

Proceedings resumed at 3.59 pm

The Speaker: Please be seated. Proceedings are resumed.

The debate continuing on Government Motion No. 7/06-07. The Honourable Minister responsible for Communication, Works and Infrastructure, continuing his debate.

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

When we took the afternoon break, I was on the section discussing the findings of Chapter 2 of the Report, currently under debate, the caption "Religious Participation."

Under the recommendations by Dr. Forde, on page 28, [paragraph] 2.5, she says, "**The implication**

from the above discussion is that churches have a great deal of work to do, perhaps specifically by reaching out to the most vulnerable people in their congregation. First, as a preventive measure, churches can play a more creative role by helping youth to forge pro-social relationships. Secondly, in terms of secondary prevention, the church can offer guidance and counseling to those who have already displayed delinquent and criminal behaviour.

"To expound on the first suggestion, churches must design and develop a range of activities which would tend to keep youngsters interested and involved. It must always be remembered that a 14-year old is not going to cease being an adolescent because he is a Christian. Churches must therefore devise strategies through which the two phenomena—adolescence and Christianity—can have a happy co-existence. For example, young people like sports. Does your church have a sports program? Is there a basketball court marked out in your church's parking lot on which the young members can play on Saturday evenings? Think about developing a volleyball team, for example; provide them with a coach if necessary, surely someone will volunteer. Then, to maintain interest in the church's sports program, invite other churches to play competitively, so that eventually the churches of Grand Cayman would be having basketball competitions, football matches, etc until it evolves into a full-fledged inter-church sports competition. For such a program to be successful and sustainable, it would have to be designed well, carrying a number of specific components but it is all possible and it is just one example of what churches can do to keep their youngsters involved in wholesome, positive activities and attached to the church."

Madam Speaker, I know there have been instances where the governments supported churches in their after-school activities. This Government is quite receptive to continuing that and enhancing that where necessary.

I recall these things that the Report is recommending when I was a youngster too. Like I said, the social nights at Seventh-Day Adventists and the Church in East End and the United Church, and more importantly, in those days there was a very, very robust Scout pack in this country. We went from Cub Scouts up to Scouts, Sea Scouts, that is, and I had quite a time in Sea Scouts. My parents encouraged me to stay in the Sea Scouts, so much so that I will never forget in 1972 I was a member of the Jamboree Team to Grenada with Jerry Kirkconnell, Carson Ebanks, John Bodden, Tim Adams, Donald McLean and Donna McField. We were all part of the larger Sea Scouts in the Cayman Islands.

I will never forget that trip, Madam Speaker, because when I got back home and walked into my father's house (that was the first day of April 1972)

that I had the privilege of flicking the switch in my father's house and a light came on in the ceiling. Of course, being in my teens, that was magic, eh? That was magic for me; it gave me an opportunity to stay up late and I did not have all the kerosene oil and the soot from the lamps in my nostrils the next morning.

So, Madam Speaker, I am from the old school, and whilst I may have only hit the end of the life that this country afforded my parents, or they were subjected to, I nevertheless have very fond memories of not having a radio — or just having a radio. Like the Minister for Tourism said to me, we used to “watch” boxing on the radio.

[Laughter]

Hon. V. Arden McLean: There were no televisions. I do not even know when we got television in my house, Madam Speaker. However, there were wholesome activities for all of us.

Madam Speaker, I know cultures evolve and I am not saying that we need to hold on to those days of yesteryear. I am not saying that; but certainly there has to be some value attached to those.

The Speaker: Take the best of it.

Hon. V. Arden McLean: There has to be the values that have brought us thus far.

You know what amazes me, Madam Speaker? I think I should say this here. This country has progressed so well, particularly over the last 30 years. Like I said, in '72 (April) is when my parents got electricity in East End. Nowadays everybody has electricity and everybody has two cell phones, even me. However, there are very few people who have an understanding of those times with the ability to compare now versus then, but everybody can tell us what we have to do.

Madam Speaker, cultures evolve and I appreciate that, but it does not have to evolve in a manner that is detrimental to the well-being of our country. The crack continues to open in this country, Madam Speaker, and our young people continue to fall through it. There is a responsibility that each and every one of us has to ensure that we narrow that crack.

My good friend, the Third Elected Member for West Bay, during the campaign her theme was always the safety net. I trust that this debate goes on long enough—

The Speaker: George Town. You said West Bay.

Hon. V. Arden McLean: For George Town, Madam Speaker.

The Speaker: You said West Bay.

Hon. V. Arden McLean: Oh, I am sorry, I . . . West Bay?

[Laughter]

Hon. V. Arden McLean: I do apologise, Madam Speaker, because—

The Speaker: You did say “the Third Elected Member for West Bay, she”, so I am assuming it is the Third Elected Member for George Town which is “she.” Okay?

Hon. V. Arden McLean: Yes, certainly, Madam Speaker. *The Third Elected Member for West Bay don't look too much she!*

[Laughter]

Hon. V. Arden McLean: It was the Third Elected Member for George Town, Madam Speaker.

Madam Speaker, she talked about this safety net for people. In particular, she was talking about the youth.

Then the Fourth Elected Member for George Town, his theme during the campaign was “youth, youth, youth, youth” and he repeated that. Repeatedly, he got on the platform and talked about youth.

Madam Speaker, your good self talked about the young women in this country.

This is going to bring me nicely into those deadbeat fathers who are not taking up their responsibility either.

However, Madam Speaker, there were other people, too, the First Elected Member for Cayman Brac. We all talked about the crack that was widening constantly in our country, and we had to approach it with a concerted effort and all and sundry would have to be involved. This is it. This is it, Madam Speaker.

All that we have ever said is now in black and white, and it is our responsibility to ensure that crack gets narrower by the day and, ultimately, ‘closes’ for our young people; and if it is not closed, Madam Speaker, that it is narrow enough for them to jump over it in one jump.

Madam Speaker, that brings me to this thing called “deadbeat fathers”. Now, if you think . . . I do not know what it is for them to raise two children, but I do know my father raised seven. I have two, and my fingers are worked to the bone. I do not know what it was or how it was that my parents did for seven of us. Mind you, we did not have the luxuries of today, nor did we have the expectations of our parents that the children have of us today.

Certainly, my parents worked very hard to raise us. Like all of us, they all worked hard. I recall my mother getting up at four o'clock in the morning, and when I got up at seven o'clock she had already made a trip into the land to get tops to be able to twist

for that night. We got a piece of johnny cake at seven o'clock in the morning, with a little turtle oil and that was it. We went to school and came back. We were happy, Madam Speaker.

In those days there were parents in this country who knew what their responsibilities were. The mothers knew that they had to raise the children. The fathers knew they were the first line to provide for that family, so when they went to sea there was no muddling of responsibilities [as to] who was required to do what. It was an unspoken rule, and an unspoken contract between those two adults. My mother knew what she had to [do], and she had to keep discipline until my father got back and then he was going to enhance all that—if he had gone for nine months, from the day he left.

Madam Speaker, the clear lines of responsibility ensured that this country produced good citizens. Today we see this machismo from so many of these little young fellows, who believe that their social standing is measured in how many children they can father. Those were the days of slavery. That is long gone.

The time has come, and I know the courts do as well as they can [as far as] attachment of earnings and the likes. However, it is obvious and I have heard the stories more than once. They change jobs and they do not let anybody know which job they are on, and the attachment of earnings fall away and then they claim they do not. I have heard mothers talk about \$8,000 that the fathers of the children owe them. Do they not feel a certain responsibility to raise their children? I wonder if they understand.

This report clearly says that the uneducated are more inclined to commit crimes. I wonder if they understand that in the absence of their involvement with their children—the same ones that they were so proud to father and to get this social standing amongst their peers to be able to brag that they had five children—one day they are going to become adults. If they are not involved they are going to be responsible to society for what those children do.

Madam Speaker, in today's world, unlike the days when you and I grew up, no longer can one parent do all the work. There needs to be a father. The Report specifically talks about fathers' involvement in the raising of their children. I view it as an honour to be able to go fishing with my son.

Madam Speaker, we are fast approaching the day that this Government (or whichever government) is going to have to enhance the laws to ensure that deadbeat fathers become live-beat fathers. Do they not understand the risk they are taking, that if they do not ensure that their children get some standard of education that the crimes that could be committed could be visited upon them and their friends as well? And it could be family.

Madam Speaker, the Government is committed to good governance in this country, and we understand what good governance means. It is important in good governance that all those in society feel that

they have a stake in it and that they do not feel excluded from mainstream society or access to government and services. Everybody has a part to play, not only government. Government should not only be here for children to have to go to the Social Services every day. The responsibility of any government in good governance is to provide the framework for parents to make a good living in order to raise their children.

Madam Speaker, too much, too long, too many times we see the young ladies in this country trying to raise two and three kids without a father, and having to hold their hands out to Government. I pray for the day when some of my men folk in this country understand what it is— even if they take their pants off to pull them back on and to keep them on — they understand that if you have two or three children you have a responsibility to support the Government in giving those children the opportunities in life in order that they do not fall victim to this study by Dr. Forde. That is what has happened. That plays a part, a major part in this criminality in this country, Madam Speaker.

We cannot only blame the churches or society, the government or the schools. Madam Speaker, parents have to do it, but by the same token we need the courts to enforce it. We need to ensure that they have the mechanisms in place. It is a catch-22. And they understand that (that is, the deadbeat fathers): *'If you put me in jail then they're still not going to get anything.'* And they play on that. They need a social understanding, a conscience. Their children are going every day to the Social Services to get uniforms for school, and we have a responsibility as a country to support that, and three square meals a day while they drive around in Corvettes and BMWs and Mercedes-Benz and big time trucks, and what do they call those cars again? The lower ones, or something.

An Hon. Member: Low riders.

Hon. V. Arden McLean: Low riders or something, Madam Speaker. And they have nice clothes, too, and they are wearing the *bling, bling* now. They call it *bling, bling* nah!

Madam Speaker, I support the Minister of Education and this education journey that he is on to change education in this country. I would prefer to pay an additional \$400 or \$500 in taxes each year to educate the people, the children of this country, than to have them steal my \$5,000 stereo every six months or pay \$53,000 a year to keep them in jail. That is cheaper.

You know, Madam Speaker, people do not think—and I hope today that some of us out in the larger society read this Report and understand where we are and where we need to be. You think it is fair for the Government to be taxing everybody at the tune of \$53,000 per year for one prisoner when it has to be cheaper than that to educate them and they come out and get a good job and be someone.

The Minister of Education said “educate or incarcerate, you have to make one decision”, and I believe the easiest one is educating.

Madam Speaker, hopefully the people will support this Government in its quest to change the entire education system in this country. We have to.

Madam Speaker, that brings me—

The Speaker: Honourable Member, I need you to clarify and make it very clear that you are not speaking that the Government’s intention is to tax you or other people for education before it goes into the media incorrectly.

Hon. V. Arden McLean: Madam Speaker, that is correct and I thank you for bringing that to my attention. But I will tell you what. It is easier. It is easier for us to—

The Speaker: I need you to state it very clearly as to what you are talking about.

Hon. V. Arden McLean: Yes, Madam Speaker.

Madam Speaker, what I was trying to achieve was to say that education is much cheaper than incarcerating someone in Northward Prison. In the long run, that is, because if at the end of the day we will forever have the recurring cost to educate our people, which we have to pay—the country has to pay—because it is compulsory education up to secondary sixteen—

The Speaker: But it is not a tax that the Government intends to put on. You said you would prefer to pay \$400 or \$500 additional for education. What I am trying to get clarified so that it does not leave these Chambers incorrectly that you are not speaking of anything that the Government intends to bring.

Hon. V. Arden McLean: No, Madam Speaker. The Government does not intend to put a specific tax on education, in that manner.

The Speaker: Okay.

An Hon. Member: It is an idea.

Hon. V. Arden McLean: But that is a good idea, Madam Speaker.

The Speaker: Okay, continue your debate, please.

[Laughter]

Hon. V. Arden McLean: Thank you very much for giving the Government some ideas from the Chair, Madam Speaker. That is a very good idea because, like I said . . . you know, that one has gained traction on this side too.

[Laughter]

Hon. V. Arden McLean: And I am sure on the Opposition side, Madam Speaker, that every Member there will support it too. We are going to explore that, Madam Speaker.

The Speaker: As long as it does not come across that the Speaker is advocating income tax, okay?

[Laughter]

Hon. V. Arden McLean: Thank you, Madam Speaker. No, I would not convict you on that one.

The Speaker: Let’s go on.

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

Madam Speaker, I would like to turn to Chapter 3, education and school experiences of our children, because that is important. The Second Official Member spoke on the UNESCO Report [in Britain], the 2000 Report that Dr. Forde refers to on page 31 of the Report.

Madam Speaker—

The Speaker: Honourable Minister, we have exactly two minutes, and you are going into a new section of the Report.

Honourable Leader of Government Business, I will entertain a motion for the adjournment.

ADJOURNMENT

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, because of the funeral of the late Mr. Thomas Jefferson on Wednesday and the time that it is, it is the consensus that by the time the entire affair is over, including interment, that perhaps it is not sensible or wise to return to the Legislative Assembly after that. So I would move the adjournment of this honourable Legislative Assembly until Thursday, 9 November at 10 am, bearing in mind that we are reminding everyone again that the National Day of Prayer no longer will take place on Wednesday, but it will take place on Thursday at 12 o’clock here in the Legislative Assembly.

Thank you.

The Speaker: The question is that this honourable House do now adjourn until Thursday, 9 November at 10 am. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

**At 4.28 pm the House stood adjourned until 10 am
Thursday 9 November 2006.**

OFFICIAL HANSARD REPORT
THURSDAY
9 NOVEMBER 2006
10.21 AM
Second Sitting

The Speaker: I call on 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. 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.

We also pray, Lord, for all our people, our elderly today for different reasons, who may be in need. We pray for them, Lord. We pray for those who mourn. We ask that Thou would bless the families of our former colleagues, and we ask, oh Lord, that You would bless our young people; that You would guide them; that You would direct them. Oh Lord, for each of us that go astray, we pray too that You would guide us.

Let us all 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 10.23

**READINGS BY THE HONOURABLE
SPEAKER OF MESSAGES AND AN-
NOUNCEMENTS**

Apologies

The Speaker: I have received apologies for absence from the Honourable Minister of Tourism, who is on official business from 7 to 11 November.

**PRESENTATION OF PAPERS AND OF
REPORTS**

Report of the Standing Public Accounts Committee on the Special Report of the Auditor General on the review of the Tendering and Awarding of the Debris Removal Contract in the Aftermath of Hurricane Ivan

(Report deferred 6 November 2006)

The Speaker: I recognise the Third Elected Member for the district of Bodden Town, the Chairman of the Public Accounts Committee.

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

Madam Speaker, I beg to lay on the Table of this honourable House the Report of the Standing Public Accounts Committee on the Special Report of the Auditor General on the review of the Tendering and Awarding of the Debris Removal Contract in the Aftermath of Hurricane Ivan.

The Speaker: So ordered.

Does the honourable Member wish to speak thereto?

Mr. Osbourne V. Bodden: Yes, thank you, Madam Speaker.

"The Standing Public Accounts Committee of the Cayman Islands Legislative Assembly, established under Standing Order 77, met to consider the Special Report of the Auditor General on the Review of the Tendering and Awarding of the Debris Removal Contract in the Aftermath of Hurricane Ivan as prepared and submitted by the Auditor General.

"In accordance with the provision of Standing Order 77(1), the Committee considered the following paper referred to it by the House:

Special Report of the Auditor General on the Review of the Tendering and Awarding of the Debris Removal Contract in the Aftermath of Hurricane Ivan.

“The following Members of the Legislative Assembly are the Members of the Standing Public Accounts Committee:

**Mr. Osbourne V. Bodden, MLA – Chairman
Mr. Rolston M. Anglin, MLA
Mr. Cline Glidden, Jr., MLA
Mr. Moses Kirkconnell, JP, MLA
Mr. W. Alfonso Wright, MLA**

“The Committee held five (5) meetings to consider this report:

- **16th June, 2005; 5th October 2005; 28th November 2005; 11th October 2006; and 19th October 2006.**

“The attendance of Members at meetings is recorded in the Minutes of Proceedings which are attached to and form part of the Report.

“In accordance with Standing Order 77(8), the following persons were in attendance at meetings:

**Mr. Terrence Outar, Deputy Auditor General [at the time]
Mrs. Sonia McLaughlin, Deputy Financial Secretary
Mrs. Debra Welcome, Accountant General
Mr. Kenrick Ebanks, Deputy Accountant General**

“Also in attendance were the following support Officers:

**Mr. Ravi Persad, Audit Manager
Mr. Garnet Harrison, Audit Manager**

“In accordance with the provisions of Standing Order 77(4), the Committee invited the Cabinet Secretary, Mr. Orrett Connor, to give information or explanation to assist the Committee in the performance of its duties.

“The Committee agreed that in accordance with the provisions of Standing Order 77(6) that its meetings, at which Controlling Officers were invited to provide information, should be held in an open forum. This decision was taken to promote openness and accountability in government.

“In conformity with the National Strategic Plan for the Cayman Islands, Vision 2008, the Public Accounts Committee (“the Committee”) is committed to Strategy 8, “Open and Accountable Government”. In particular Action Plan 2, “To ensure that public finances are managed prudently and

that disclosure and reporting standards provide timely, relevant, reliable and understandable information to legislators and the community””

The following section of our Report provides an overview of the “Special Report of the Auditor General on the Review of the Tendering and Awarding of the Debris Removal Contract in the Aftermath of Hurricane Ivan”. We have also identified the main issues in the Report and made several recommendations to address these issues.

I would now like to go into some of the significant findings and recommendations of the Public Accounts Committee.

“On 19 November 2004, the Cayman Islands Government awarded a contract for removal of debris to MC Restoration Cayman Ltd. (“MC Restoration”). This contract was a major one with an estimated value of US\$10.7 million.

“Subsequent to the awarding of the contract, there were numerous comments made in relation to the contract awarding. These included concerns on the amount of equipment brought into the Islands by MC Restoration, concerns about why the contract had been awarded to an outside (non-resident) firm, the amount of work available to local Caymanians and concerns that government did not receive good value for money.

“Given the magnitude of these concerns, the size of the contract and the need for a quick awarding of a contract to facilitate the clean up of the Islands, the Auditor General decided that it would be in the best interests of the Islands if his Office reviewed the contract to ensure that proper procedures had been followed and that the Government received good value for this expenditure.

“On 3 December 2004, the Auditor General met with the Governor and informed the Governor of his concerns and that he intended to review the awarding of the debris removal [project]. The audit was commenced immediately after that meeting.

“The purpose of this review was to review the process used in the awarding of the debris removal process. In this regard, the Auditor General reviewed the documents submitted by various companies that were interested in fulfilling the contract. He also reviewed documents prepared by the National Hurricane Committee, the Central Tendering Committee and the Cayman Island Recovery Office relating to the awarding of this contract. In addition, he obtained information from the ultimate winner of the contract, MC Restoration.

“In addition to issues relating to the awarding of the contract, he reviewed the systems relating to the control of payments to MC Restoration. Although the bulk of payments were subsequent to the date of the end of his fieldwork (January 14), he was able to conclude on the proposed payment process. The Auditor General also reviewed several issues relating to the awarding of the contract including whether an earlier, cheaper

alternative had been rejected, whether there is local involvement in MC Restoration, the importation of vehicles by MC Restoration in contravention of local conditions set in a license and the use of vehicles owned by a Cabinet Minister in the restoration process. These and other items are discussed in the body of his main report.

"A first draft of this report was discussed with government officials on January 21, 2005. A meeting with the same government Officials and representatives from MC Restoration resulted in a revised draft on February 17, 2005. The official management response, which has been included as Appendix 1 of this report was received March 9, 2005.

"Below is a list of the major findings of the Auditor General's review. This is a summary only and readers are encouraged to read the remainder of the report for a full understanding of the major issues.

"Based on his review, the Auditor General made the following conclusions relating to the debris removal contract.

"In reviewing the contract, he noted that the bid from MC Restoration was lower than 3 other bidders. However, a bid from another company, DRC, was substantially less than the bid from MC Restoration. In his opinion, the government had the opportunity to save a substantial amount of money by awarding the contract to DRC. In his opinion, valid concerns regarding the relationship between that firm and another firm helping the government manage the recovery process could have been resolved with substantial costs savings to the residents of the Islands.

"The process for selection was reasonable given the severe time pressures in place during the awarding of the contract. However, the process could have been enhanced if more efforts were made to obtain bids from local contractors.

"The government did receive an earlier bid from MC Florida relating to debris clean up. Although the amount originally quoted was lower than the final contract, a detailed review indicates that, after making adjustments to make them more comparable, the final contract was actually cheaper than the original bid.

"MC Restoration did violate the terms of its local license by bringing in more equipment than allowed. However, except for a few isolated and minor instances, the surplus equipment was not used and therefore did not adversely impact local contractors.

"MC Restoration has fulfilled the requirements of the contract and the local company's license to ensure that local contractors and individuals have first rights to work relating to the contract.

"MC Restoration Cayman Ltd. was issued a local license. The Auditor General stated that the

beneficial owners are three non Caymanians and there is no ownership or beneficial ownership interest by any Caymanians.

"A Cabinet Minister did import equipment that has subsequently been hired by MC Restoration. However, this Minister received no benefit beyond that offered to other local operators of similar machinery and the hiring of the Minister's equipment did not disadvantage any local operators. Also, the Minister did not violate any laws or regulations and eventually informed the public of his involvement in the contract.

Some of the significant issues:

"The main issues disclosed in the report are:

"Adequate formal arrangements were not put in place to allow local contractors the opportunity to bid on this substantial contract.

"Local contractors and the Caymanian public felt that the contract should have been awarded to local contractors and that Government did not receive good value for money.

"The contract was awarded to MC Restoration, a company with little or no experience in this type of work. In addition MC Restoration's cost was higher by almost US\$2 million than the lowest bidder, a company that was experienced in this type of work.

"MC Restoration[']s initial bid on this contract was through another company MC Florida. During testimony, the Committee was informed that MC Florida was initially represented by Mr. Mark Scotland and Mr. Tom Moffat. Subsequently when MC Restoration won this contract Mr. Scotland was part of Cayman Islands Recovery Office (CIRO) and was responsible for ensuring that MC Restoration performed their work under the terms of the contract.

"There was no audit provision in the contract agreement that allowed the Auditor General to examine the books and records of MC Restoration in relation to its activities under this contract.

The Committee observed that: "Notwithstanding the appearance of a conflict of interest in the lower bid, it is the opinion of this committee that Government could have put in adequate controls to ensure the risk in question was reduced or eliminated and thereby had cost savings of approximately US\$2 million.

"The Committee recommends that:

"Even in extraordinary times (i.e. natural disasters), the public is to be made aware by any communication means available, of works of this magnitude to be carried out so that they are in a position to make informed decisions.

"The necessary arrangements be put in place so that local contractors have every opportunity to bid on all contracts regardless of size and specific nature of contracts.

“Every effort to try and realize savings must be made for any contract commensurate with quality and delivery date.

“There should be an audit provision for contract sums of CI\$100,000 and above that allows the Auditor General to examine the books and records of contractors in relation to their activities under the contract.

“The Committee wishes to record its sincere gratitude and appreciation of the co-operative spirit exhibited by the witness appearing before it. The Committee is most appreciative of the efforts of the Auditor General and his staff in presenting a very fair, detailed and informative *Special Report of the Auditor General on the Review of the Tendering and Awarding of the Debris Removal Contract in the Aftermath of Hurricane Ivan* and for the support, assistance and constructive advice given throughout its deliberations. Furthermore, the Committee acknowledges the support, advice and information provided by the Deputy Financial Secretary, the Accountant General and staff. To the members of the Committee I thank you for your time and dedication in making it possible to table this Report.

“Finally I wish to thank the staff of the Legislative Assembly and in particular Ms. Kathleen Watson secretary to the Committee for the assistance provided.”

Standing Order 74(5)

Mr. Osbourne V. Bodden: Madam Speaker, in accordance with the provision of Standing Order 74(5), I move that the recommendations contained in the Report be adopted.

The Speaker: I need a seconder.

Mr. Cline A. Glidden, Jr.: I beg to second the motion.

The Speaker: The question is that the Report of the Public Accounts Committee on the Special Report of the Auditor General on the Review of the Tendering and Awarding of the Debris Removal Contract in the Aftermath of Hurricane Ivan be adopted as the Report of the Committee. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

Agreed: The Report of the Standing Public Accounts Committee on the Special Report of the Auditor General on the review of the Tendering and Awarding of the Debris Removal Contract in the Aftermath of Hurricane Ivan adopted.

Report of the Standing Public Accounts Committee on the Report of the Auditor General on the Financial Statements of the Government for the Six-Month Period Ended 30 June 2003

The Speaker: I recognise the Third Elected Member for the district of Bodden Town, the Chairman of the Standing Public Accounts Committee.

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

I beg to lay on the Table of this honourable House the Report of the Standing Public Accounts Committee on the Report of the Auditor General on the Financial Statements of the Government of the Cayman Islands for the Six-Month Period Ended 30 June 2003.

The Speaker: So ordered.

Does the honourable Member wish to speak thereto?

Third Elected Member for the district of Bodden Town.

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

The Report of the Standing Public Accounts Committee on the Report of the Auditor General on the Financial Statement of the Government of the Cayman Islands for the Six-Month Period Ended 30 June 2003.

“The Standing Public Accounts Committee of the Cayman Islands Legislative Assembly, established under Standing Order 77, met to consider the Report of the Auditor General, on the Audited Financial Statement of the Government of the Cayman Islands for the six-month period ended 30 June 2003, as prepared and submitted by the Auditor General.

“In accordance with the provision of Standing Order 77(1), the Committee considered the following papers referred to it by the House:

- (1) Report of the Auditor General on the Audited Accounts of the Cayman Islands Government for the six month period ended 30 June 2003; and**
- (2) The audited financial statements of the Government for the six month period ended 30 June 2003.**

“The following Members of the Legislative Assembly are the Members of the Standing Public Accounts Committee –

**Mr. Osbourne V. Bodden, MLA – Chairman
Mr. Rolston M. Anglin, MLA
Mr. Cline Glidden, Jr, MLA
Mr. Moses Kirkconnell, JP, MLA
Mr. W. Alfonso Wright, MLA**

"The Committee held seven (7) meetings to consider this report:

- 16th June 2005; 16th August 2005; 6th September 2005; 13th September, 2005; 5th October 2005; 11th October 2006; and 19th October, 2006

"The attendance of Members at meetings is recorded in the Minutes of Proceedings which are attached to and form part of the Report.

"In accordance with Standing Order 77(8), the following persons were in attendance at meetings:

Mr. Dan Duguay, Auditor General
Mrs. Sonia McLaughlin, Deputy Financial Secretary
Mrs. Debra Welcome, Accountant General
Mr. Kenrick Ebanks, Deputy Accountant General

"Also in attendance were the following support Officers:

Mr. Terrence Outar, Deputy Auditor General,
Mr. Ravi Persad, Audit Manager
Mr. Garnet Harrison, Audit Manager

"In accordance with the provisions of Standing Order 77(4), the Committee invited the following Controlling Officers and support staff to give information or explanation to assist the Committee in the performance of its duties:

1. Mr. Dwight Scott, Director of Prisons
2. Ms. Trudy Goodband, Administrative and Finance Manager, HM Northward Prison
3. Mr. Mark Jackson, Stores Controller, HM Northward Prison
4. Mr. Aziz Aitmessoud, Former Stores Controller, Prison Department
5. Mrs. Clair Range, Director of Eagle House
6. Mr. Donovan W.F. Ebanks, Deputy Chief Secretary
7. Dr. Philip Pedley, Policy Advisor to the Portfolio of Internal and External Affairs
8. Mr. Rudolph Dixon, Acting Commissioner of Police
9. Mr. Derek Haines, Acting Assistant Commissioner of Police

"The Committee agreed that in accordance with the provisions of Standing Order 77 (6) that its meetings, at which Controlling officers were invited to provide information, should be held in

an open forum. This decision was taken to promote openness and accountability in government.

"In conformity with the National Strategic Plan for the Cayman Islands, Vision 2008, the Public Accounts Committee ("the Committee) is committed to Strategy 8, "*Open and Accountable Government*". In particular Action Plan 2, "*To ensure that public finances are managed prudently and that disclosure and reporting standards provide timely, relevant, reliable and understandable information to legislators and the community*".

Here now are the significant findings and recommendations of the Public Accounts Committee:

"The Auditor General has qualified his opinion on the 2003H modified cash financial statements (see Appendix A of the Report of the Auditor General, 2003H) based on the following issues:

I. Statements of Operating Receipts and Payments

Unappropriated Expenditure: Excess expenditure amounting to \$18,016,195 for various output groups was incurred. Of this amount, \$13,500,000 relates to the overseas medical provision write off.

Deferred Expenditure: Deferred and unpaid expenditures of approximately \$4,112,013 for recurrent items and \$5,579,138 for the statutory Past Service Pensions Liability (PSPL) were not reflected in either the Statement of Operating Receipts and Payments or the Combined Statement of Assets and Liabilities.

2. Combined Statement of Assets and Liabilities

Overseas medical advances: Disagreement with the accounting policy for overseas medical advances for overseas medical treatment that have not been recognised as expenditure. In 2003 half year, Government made a provision for the write off of \$13,500,000 of these medical advances leaving a residual balance of \$5,781,659.

Immigration deposit liability: The Auditor General was not able to verify the accuracy of the immigration deposit liability balance of \$6,389,343 due to the lack of supporting evidence and reconciliations. There is also an understatement of the immigration deposit liability in the range of \$1,200,000 to \$1,700,000 due to the transfers of amounts to General Revenue.

"The Auditor General included a matter of emphasis paragraph in the 2003H modified cash financial statements based on the following issue:

“The Auditor General further drew attention to Loans and Advances as at 30 June 2003. There is an amount of \$4,538,959 in respect of advances for the Affordable Housing Initiative. The authority for these advances is section 21 of the Public Finance and Audit Law (1997 Revision). Based on his examination and the explanations of management, the Auditor General is satisfied that the accounting treatment is, in principle, appropriate. However there is an element of subsidy within the “advance” but it is not possible to determine with any degree of certainty the extent of Government’s financial liability. No amounts have been expensed to the Statement of Operating Receipts and Payments to recognise this subsidy.”

Here now are some of the highlights of the Auditor General for the six-month period ending 30 June 2003:

“The fiscal year of Government has changed from 31 December to 30 June due to the implementation of the Public Management and Finance Law, 2001 (PMFL). Section 84 (3)(b) states “the financial year immediately prior to the year ending 30 June 2004 shall be for a period of six months ending 30 June 2003.” The Government’s financial performance and position under the modified cash basis is therefore being reported for only six months to 30 June 2003 (also referred to as 2003H) and is not readily comparable to the 31 December 2002 (12 month) figures.

“Government recorded an operating surplus of \$39.1 million for the six month period ending 30 June 2003. Total recurrent receipts were \$185.6 million, funds receipts were \$3.5 million. Total operating expenditure was \$150 million. After capital expenditures Government recorded an overall surplus of \$29.5 million before financing, for the six month period to 30 June 2003.

“The Auditor General has advised that the closing cash balance of \$60 million should be understood from the point of view that \$20 million is the remnant of the bond issue proceeds (debt) and \$15 million relates to deposits (accounts payable) held on behalf of third parties (Immigration, Customs, etc). This would effectively ‘decrease’ the government’s own-generated accumulated cash position to \$25 million. Of this amount, \$18 million (72%) is the accumulated balances on the various Funds (EPF, CDF etc). The activity of the General Revenue Fund has added \$7 million to the government cash coffers during the six months to 30 June 2003.

“For the Combined Statement of Assets and Liabilities, Net Assets increased from \$20.762 million to \$59.976 million. It should be noted that only cash and near cash assets and liabilities are included in the financial statements. Other financial assets and liabilities such as accounts receivables, loans recoverable, investment, accounts payable, public debt, contingent liabilities and re-

tirement benefits liabilities are excluded from the Combined Statement of Assets and Liabilities.

“The Auditor General has highlighted in his audit opinion that, in view of:

- Accumulated overseas medical advances amounting to \$5,781,659 which have not been recognised as expenditure but have been classified as assets;
- The understatement of immigration security deposits of between \$1,200,000 and \$1,700,000;
- The uncertainty in the accuracy of the immigration deposit liability balance of \$6,389,343;
- Deferred and unpaid expenditures amounting to approximately \$4,112,013; and
- The non-payment of the Past Service Pensions Liability of \$5,579,138 due to the Public Service Pensions Board

“that the Combined Statement of Assets and Liabilities does not properly present the financial position of the Cayman Islands Government as at 30 June 2003. In his opinion, the accumulated surplus on the General Revenue Fund is overstated by between \$16,672,810 and \$17,172,810.

“The Committee is aware of the many critical issues raised by the Auditor General over the years and has made substantial recommendations on the following areas based on previous years’ Auditor General Reports:

- Immigration Security Deposits
- Overseas Medical Advances
- Mutual Legal Assistance Treaty
- Registrar of Companies (re: Defunct Companies balances)
- Arrears of Revenue
- Environmental Protection Fund
- Infrastructure Development Fund
- Housing Guarantee Reserve Fund

“The Committee advises that Government consider those previous PAC recommendations on the above subject matters and implement those . . . that are still practical. The Committee had general discussions relating to immigration security deposits and overseas medical advances and their findings and recommendations are noted below.

Immigration security Deposits

“Immigration deposit balances . . . represent liabilities for monies received from employers and deposited in government’s bank account but which are not classified as government revenue. Since October 2000, with the introduction of the

\$200 non refundable repatriation fee, the Immigration deposit balance ceased to grow and started to decline as refunds were made with no further additions to the account.

“The Immigration (via their IMSS system) and Treasury (via IRIS) departments keep a record of amounts refunded to various employers. These two records should be reconciled on a regular basis or at least at the end of the government’s fiscal year for disclosure in the financial statements. The Committee is concerned that there still is little progress with this reconciliation and there are many unresolved amounts.

“The main issues are:

- From 1997 to 30 June 2003, unreconciled differences, with no adequate reconciliations were noted between Treasury’s and Immigration’s records relating to Immigration deposit liability balances.
- There have been unsuccessful attempts by the Audit Office to obtain the deposit liability balance from the Immigration department in recent years;
- The balance of \$6,389,343 stated in the government’s financial statements cannot be verified because there is no specific list of depositors to whom the funds are owed; and
- The transfers totalling \$2.2m during 1991 and 1995 from Immigration deposit liability to general revenue. The Auditor General’s Report is qualified in this respect as being fundamentally incorrect as the deposit liability is understated by between \$1.2M and \$1.7M.

“In our previous Report we noted that the deposit account has not been reconciled since the early 1980s. The Committee was informed in September 2004 that the reconciliation process was ongoing and is an onerous task. The Committee heard from the then Chief Financial Officer that due to the quantum of records and the fact that the liabilities are in one system and the payments are from another system, it was difficult to match up against the 10,000 or so liability items.

“The Committee was satisfied that the basis for the transfer of \$2,210,362 from the deposit liability account to the General Revenue Fund in 1991 and 1995 was erroneous as disclosed by the Auditor General in his annual Report.

“The Committee learn[ed] that with the move to full accrual accounting from 01 July 2004, these monies [sh]ould be placed in a trust fund. This would actually remove the liability from the books of the government and will be refunded (when requested by the employer) or transferred to general revenue when the stipulated time expires after a permit holder leaves the Islands.

“The Committee recommends that:

- I. Cabinet seek legal advice as to how to proceed with this matter.*
- II. The balance on the Immigration deposit liability account is transferred to a Trust account for the year ended 30 June 2005, as prescribed by the Public Management and Finance Law.*
- III. Attempts be made to determine how much of the \$2.2 million transferred in 1991 and 1995 still belongs to the deposit liability and have these amounts also transferred to the Immigration deposit Trust account.*
- IV. Once the above are considered or carried out that Cabinet issue a directive on the course of action for this deposit liability.*

Overseas Medical Advances

“Overseas medical advances . . . stood at \$19,281,659 as at 30 June 2003 ([The comparative figure for 31 December 2002 [was a little bit higher at]: \$19,258,456). The Auditor General qualified his opinion on the financial statements because he considered the accounting treatment for overseas medical advances inappropriate. Expenditure was not brought to account at the date of payment, but was classified as a recoverable advance. Amounts accumulated in the advance account tend to be brought to account infrequently, usually accompanied by the conversion of individual advances to long term interest-free loans. The effect of this accounting policy, which has been followed for many years, is to defer recognition of expenditure to future periods. The accounting treatment understates recurrent expenditure and materially overstates both the total assets reported in the Statement of Assets and Liabilities and the accumulated surplus reported in the Statement of Surplus and Deficit. We commend the Government in taking steps to correct this problem by making a provision for the write off of \$13,500,000 of these medical advances for the 30 June 2003 year end. This leaves a residual balance of \$5,781,659.

“During 2002, the Health Services Department’s (HSD) operations were handed over to the newly established Health Services Authority (HSA). Also, over a period of months, the HSD gradually transferred the records and the responsibility for billing, recording and collecting overseas accounts to the Treasury’s Debt Collector. The HSA now acts only as a facilitator for overseas referrals. The Chief Medical Officer approves all overseas medical treatments and refers patients to the Debt Recovery Unit to make the necessary financial arrangements.

“The main issues are:

- The inappropriate accounting treatment as highlighted by the Auditor General which leads to a qualification in his audit opinion; and
- The growing level and non-collection of overseas medical advance balances

“The Committee learned that the gross overseas medical advances for the years ending 30 June 2004 and 2005 were \$20,564,248 and \$20,866,684 respectively with net balances of \$7,064,248 and \$7,366,684 respectively.

“The Committee recommends that:

- I. *The inappropriate accounting practice cease and government adhere to correct internationally accepted cash accounting procedures so as to avoid further qualification on the annual financial statements.*
- II. *Proper procedures are implemented to ensure that any future medical advances provided by the government be held fully accountable for by the borrower or recipient and that such advances be repaid in a reasonable timeframe.*
- III. *The government continue the write-off of uncollectible amounts only after reasonable recovery methods are used to try to recover advanced sums.*
- IV. *In order to reduce the cost of overseas medical care, alternative locations in other countries be considered that provide similar care and services in comparison to those in the United States.*
- V. *The Health Insurance Law be amended to incorporate stiffer penalties for employers who do not provide health insurance coverage for their employees as mandated by Law and where employers victimise their employees for disclosing to the Health Insurance Commission that they have no insurance.*
- VI. *A new class of individuals be created who are not classified as indigents, but cannot afford overseas medical care due to inadequate disposable income. Government to provide coverage to this new class of individuals once an adequate financial background check is performed to determine their disposable income and health insurance coverage is inadequate.*
- VII. *The Debt Recovery Unit needs to ensure if collateral is to be used against the advance that the collateral is insured.*

VIII. *Government ensure true portability within the local health insurance pool or market.*

I would like to move on now to Statutory Authorities Audits.

“The Committee is still concerned about the tardiness in the submission of financial statements by statutory authorities for tabling with the Legislative Assembly. This is crucial to the accountability and transparency process and impacts the usefulness of timely information.

“The main issues are:

- Various statutory authorities are not preparing and presenting their financial statements for audit to the Auditor General in a timely manner.
- Various statutory authorities are not tabling their audited financial statements with the Legislative Assembly in a timely manner.

“The Committee feels that certain Statutory Authorities need to be more responsible and accountable with their financial audit obligations. This can only enhance and benefit standard reporting requirements, best business practices and good governance.

“The Committee recommends that:

- I. *Statutory Authorities ensure that their financial statements are presented to the Auditor General in reasonable time for audit and in compliance with their Laws.*
- II. *The Authorities’ should also ensure that their Annual Reports (including audited financial statements) are approved by the respective Boards and submitted to their Ministry/Portfolio in a timely manner.*
- III. *The relevant Ministry/Portfolio should table the Annual Report of the respective Statutory Authority in the Legislative Assembly in a timely manner.”*

I would like now to move on to Part II of the Auditor General Report, which dealt with value for money reports, starting with the Prison Department.

“The Auditor General reported on various issues within The Prison Department . . . on pages 70 to 81 of his report.

“Based on this report the Committee was concerned that effective systems of control and accountability and responsible attitudes on the part of those handling public money was not maintained in some instances. In addition, overcrowding at the Prison continues to be a problem.

“Another major concern related to the cost of operating the Prison which in 2001 was esti-

mated at more than C\$7 million for that year. On average it is costing Government over C\$30,000 per annum to keep a prisoner incarcerated. The Committee does not have comparable information for prison operations but when this cost is compared with that of educating a child, then the magnitude of this type of operation is recognised.

“The main issues are:

1) Related Party Transactions:

- The Stores Controller (SC) travelled to Miami on a ticket purchased from Government funds to purchase a freezer costing US\$500 from a company of which he was a principal at the time. This company operated out of residence in Miami and many items which could be purchased locally were instead obtained from this company.
- There was credible evidence that a larger purchasing scheme was in the making to include other government departments. The idea was to purchase in bulk and store these items in containers on Prison compound.
- There was inadequate segregation of duties in the stores function. The Stores Controller initiated the purchase orders, cleared the goods and received them as well as issued items out from stores [clearly a conflict of interest].

“The Committee makes the following recommendations:

- I. *The Prison Director should ensure that an appropriate system of internal control operates within the Department and that the system is adequate to safeguard the Department’s resources for which the Director of Prison is responsible.*
- II. *The Prison Department should ensure that they comply with the rules for procurement as set out in the Financial Regulations 2004.*
- III. *The Prison Department should also ensure that they comply with the Public Service Management Law, 2005, Part II, 5(2)(G), which states:*

“A public servant must disclose, and take reasonable steps to avoid, any conflict of interest (real or apparent) with his duties as a public servant, and must not use his official position for personal or familial gain.”

The second area where there was a concern was:

“Purchase of Industrial Washing Machines:

- Three industrial washing machines and two dryers were purchased in November 1999 costing \$66,460, but were not installed as at March 2002, some 27 months after initial purchase. The intention at the time of the purchase was to re-establish the laundry facilities as quickly as possible after the riots of September 1999.
- The cost of repairs to the building to house the laundry facilities and installation of the equipment was estimated at \$62,000. However although requests were made for these funds from Budget and Management Unit, this did not materialise until the 2002 budget.
- There was no evidence that bids or quotes were obtained for the supply of the equipment. We were unable to determine whether the equipment was acquired at the lowest price, with consideration given to quality, performance and the warranty period.
- The Prison did not have a Departmental Tender Committee (DTC) and this contributed to the problem of not seeking competitive bids.
- We were unable to determine who authorised the purchase of this equipment.
- We were unable to determine whether the equipment purchased was new, but Prison paid for new equipment.
- The warranty period for the machines had expired and the operating manuals could not be located.

“The Committee makes the following recommendations [in this area]:

- I. *The procurement of goods and services must be properly approved, and evidence of such approval should be securely filed, especially when the amounts spent are substantial.*
- II. *There should be an overriding requirement to ensure that value for money is obtained for the procure-*

ment of all goods and services. Prison Department should also ensure that equipment purchased is placed into operation in a reasonable time period to obtain the desired benefits.

3) **Inmates at Northward for Immigration Matters and Mental Health Offenders**

- The holding of persons at the Prison for immigration offences, for short periods (14-21 days) adds to the problem of overcrowding.
- Persons with mental health problems are housed with other prisoners. Prison staff are not trained to deal with mental health offenders.

“The Committee makes the following recommendations:

- I. Government should consider acquiring a maximum security facility for “A” category offenders. These are persons who are held in prison for serious offences like murder, violent gun crimes or persons deemed to be a threat to the public. The acquisition of such a facility will also free up much needed space at HMP Northward including persons held for short periods of time.*
- II. The Government should look into the feasibility of other alternative methods of punishment for offenders as compared to incarceration for all prisoners. This method of punishment would probably be appropriate to low risk prisoners, who have committed petty crimes in the Committee’s opinion.*
- III. Persons with mental health problems should not be held with other prisoners.*
- IV. Mental health prisoners should be dealt with by staff trained to deal with these types of individuals.*

Succession Management

- Adequate plans were not in place to ensure that local Caymanians would receive the necessary training to progress to management positions within the Prison organisation.
- The contracted UK Prison officers were disappointed they were not able to train

the new recruits for the Prison service before their departure back to the UK.

“The Committee makes the following recommendations [in this area]:

- I. Prison management should provide adequate training to prison officers to ensure that they can perform their functions in a professional and competent manner.*
- II. All efforts are made to attract suitable Caymanians into the Prison Service and that the necessary training and promotional opportunities are made available so these persons can be retained in the service.*
- III. A well documented human resources plan for the progression of Caymanians in the Prison Service should be prepared and followed to ensure that these persons progress to management positions.*

Human Resources Benefits

- Superannuation benefits for twenty seconded UK prison officers were not paid to the UK prison service.
- CI Government could not determine what the liability was at the date of the audit report.

“The Committee makes the following recommendation:

- I. All financial obligations relating to the UK Prison Officers should be determined and dealt with at the earliest opportunity.*

Inmate Security Classification System and the Work Party System

- Prisoners who are not supposed to be working outside the Prison compound based on their categorisation are allowed to do so, posing a threat to society, should they escape.
- There seems to be no written down criteria for varying the grade of prisoners.
- There appears to be no clear policy on what criteria determines either work party size or guard to prisoner ratio.

“The Committee makes the following recommendations:

- I. *The use of well documented policies and procedures for inmate security classification and the work party system is highly encouraged.*
- II. *Allowing prisoners outside the prison compound should be strictly controlled and properly authorised. This is especially relevant to prisoners deemed high risk and a threat to society.*
- III. *In no circumstances should prisoners, deemed a threat to society be allowed outside the compound to facilitate the carrying out of any task.*

[Concern in Relation to] **Grade S Prisoners**

- The criteria to determine whether an inmate is eligible to work in the community and the method of employer to inmate assignment were not clear.
- It appears that there are inadequate systems in place to monitor prisoner performance with terms of employment. There appears to be no structured method of assessing inmate performance at an employer before they are released into society.
- There is no system to accurately account for funds received from employers relating to work carried out by prisoners.

“The Committee makes the following recommendations:

- I. *The policy and procedures that the Prison Service now has for grade S prisoners should be followed to ensure that prisoners are adequately equipped before they are reintegrated into society. The Policy and procedures should also be reviewed periodically to ensure its continued effectiveness.*
- II. *The performance of prisoners at their place of employment should be assessed before they are released into society.*
- III. *Adequate controls should be in place to properly account for all funds earned by the Prison from employers for work carried out by grade S prisoners.*
- IV. *There should be clear guidelines for payment of a portion of the earnings to grade S prisoners or other persons or organisations connected with the prisoner.*

- V. *A yearly reconciliation of all amounts earned by S grade prisoners should be performed by the Prison and audited by the Internal Audit Unit. This will ensure that these funds are properly accounted for.”*

Now, I would like to move on to the audit report to do with the Cayman Protector Police Vessel and the repairs associated with that vessel of \$383,306. As a way of background:

“The Cayman Protector (the Protector) is a 48-foot aluminium custom built motor vessel gifted to the Cayman Islands Government . . . from the British Government in 1994. This vessel was manufactured specifically for law enforcement activities in the Cayman Islands and is considered the “flagship” of the Drug Task Force (DTF) Marine section. The Protector serves as the sole coast guard vessel for the Cayman Islands and has been used extensively in search and rescue, marine enforcement and drug seizure operations.

“The main issues are:

- The Protector was out of operation for approximately 24 months from September 2000 due to engine failure and structural problems. Several months before being dry-docked, the use of this vessel was limited to inshore patrols. Offshore patrols or search and rescue operations could not be undertaken because of the poor condition of the engines. The former Commissioner of Police commented that the long absence of this vessel from Cayman waters has not gone unnoticed by drug traffickers.
- Two new engines were installed and all repairs were finally completed at the end of August 2002. There was a delay of approximately one year from the time the prepayment for two engines was made to the time of the final payment. There were also delays in payments for other work carried out on the vessel. Testing of the vessel was carried out during July and August 2002 to ensure seaworthiness and active duty recommenced soon after.
- A planned maintenance scheme was not in place and neither was a person capable of carrying out such maintenance work. This contributed to the corrosion of the vessel which could have been observed much earlier.
- The final cost of the repairs was quite high, \$383,306 and this does not include the cost to society in terms of illegal activi-

ties that could have been prevented or search and rescue operations that could have been carried out. It is possible that a better boat altogether with better capabilities, in terms of size, speed and reliability should have been considered.

- A base station to house the Protector and carry out regular maintenance was never provided, although there were regular discussions between the DTF [Drug Task Force] and Government.
- The spare parts for the DTF Marine equipment and seized engines were stored in a 20 foot container loaned from a local business firm. The container was unsuitable for use as a storage facility since it was not properly ventilated and the roof was leaking. Spare parts and equipment were being damaged as a result. The local business firm had made several requests for the container to be returned.
- The criteria for use of this vessel was never set down and as a result, the expected performance of the vessel was more than what can be achieved without detrimental effects to the longer term performance. In addition there was no back up vessel to support the Protector in the event of trouble or when the workload is heavy.
- Fees were charged for marine rescue and salvage work carried out by the Protector. However, based on Treasury's records minimal fees have been earned.

Committee Observation

"There seems to be a definite need for a marine base station. The Committee was informed that land for such a facility was already obtained by the Police Department. The operation of such a facility would provide a place from which marine officers can work and conduct a certain amount of maintenance and repairs. It would also assist in the physical security of vessels as well as provide some degree of secrecy when vessels go out on operations.

"The Committee makes the following recommendations:

- I. The Protector is currently unable to carry out its tasks and the Government should carry out a "needs assessment" of the Drugs Task Force to adequately equip this Unit to fulfill its functions.*

- II. The necessary facilities and equipment, once obtained, should be maintained and the necessary funds should be made available in a timely manner to facilitate the important tasks performed by the Drugs Task Force.*

"The Committee wishes to record its sincere gratitude and appreciation of the co-operative spirit exhibited by all the witnesses appearing before it. The Committee is most appreciative of the efforts of the Auditor General and his staff in presenting a very fair, detailed and informative Report on the financial statements of the Cayman Islands Government for the six month period ended 30 June 2003 and for the support, assistance and constructive advice given throughout its deliberations. Further, for the support, advice and information provided by the Deputy Financial Secretary, the Accountant General and staff. To the members of the Committee I thank you for your time and dedication in making it possible to table this Report.

"Finally I wish to thank the staff of the Legislative Assembly and in particular Ms. Kathleen Watson, secretary to the Committee for the assistance provided."

Standing Order 74(5)

Mr. Osbourne V. Bodden: Madam Speaker, in accordance with the provision of Standing Order 74(5), I move that the recommendations contained in the Report be adopted.

The Speaker: May I have a seconder?

Second Elected Member for the district of West Bay.

Mr. Rolston M. Anglin: Madam Speaker, I beg to second the motion.

The Speaker: The question is that the Public Accounts Committee's Report on the Auditor General's—

Hon. W. McKeeva Bush: Madam Speaker, just before you do that, on the matter—and it is not a 'no' until you have a reply but I just want to be clear about it, where the Government Minute stands once we accept the recommendations from this Report before the Government replies to it.

The Speaker: Honourable Leader of the Opposition, the Standing Order says, "The Government Minute shall be laid on the Table of the House within three months of the laying of the report of the Committee and of the report of the Auditor General to which it relates."

So within three months the Government is supposed to bring a Government Minute replying to the Public Accounts Report.

[Inaudible comment from the Honourable Leader of the Opposition]

The Speaker: The question is that the Report of the Public Standing Accounts Committee on the Report of the Auditor General on the Financial Statements of the Government of the Cayman Islands for the Six-Month Period Ended 30 June 2003 be adopted as the Report of the Committee. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

Agreed: The Report of the Standing Public Accounts Committee on the Report of the Auditor General on the Financial Statements of the Government of the Cayman Islands for the Six-Month Period Ended 30 June 2003 adopted.

The Speaker: Honourable Third Elected Member [for the district of Bodden Town] and Chairman of the PAC, could I have you lay the Auditor General's Reports, which should have been laid with the Public Accounts Committee's Reports?

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

Madam Speaker, I beg to lay on the Table of this honourable House the Special Report of the Auditor General on the Review of the Tendering and Awarding of the Debris Removal Contract in the Aftermath of Hurricane Ivan; and the Report of the Auditor General on the Financial Statements of the Government of the Cayman Islands for the Six-Month Period Ended 30 June 2003.

The Speaker: So ordered.

The Cayman Islands' Overseas Trade Statistics 2005

The Speaker: I recognise the Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Madam Speaker, I beg to lay on the Table of this honourable House The Cayman Islands' Overseas Trade Statistics 2005 Report.

The Speaker: So ordered.

Does the Honourable Member wish to speak thereto? Honourable Third Official Member.

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

Madam Speaker, I am pleased to have laid on the Table of this honourable House the Cayman Islands' Overseas Trade Statistics 2005 Report.

The Report presents detailed tables of the value of all imports into the Cayman Islands, the broad economic categories and their classification based on United Nations Standard International Trade Classification (SITC); countries of origin, and by ports of entry. [Mr. Jefferson actually said "United Nations System of Internal Trade Classification"].

The total value of goods imported into the Cayman Islands in the 2005 calendar year amounted to CI \$990.4 million, or US \$1.2 billion. This sharp increase in imports for 2005 was directly linked to the reconstruction of our Islands in the aftermath of Hurricane Ivan in September 2004. There was a pronounced increase in the importation of building materials and vehicles. Total imports for 2005 increased by 36.4 per cent from the previous year's level.

We have seen increases in imports in every quarter of 2005 compared to the previous year. However, the bulk of the imports occurred in the first quarter of 2005 compared to the succeeding quarters in that year.

Total merchandise imports in 2005 by broad economic groupings were as follows:

Capital goods	38.4 per cent
Consumer goods	37.8 per cent
Intermediate goods	15.3 per cent
Fuel	8.4 per cent

It is also worthy to note, Madam Speaker, that the number of imported vehicles rose from 3,354 in 2003 to 5,172 in 2004, and further to a level of 8,407 in 2005. The Cost, Insurance and Freight (CIF) unit values of these vehicles also increased during the respective periods.

Turning to our trading partners, Madam Speaker, the United States of America continued to be the main source of imports into the Islands as it accounted for 76.5 per cent of total imports, which had a value of CI \$757.8 million. The US also overtook the Netherlands Antilles as the predominant source of refined oil imports in 2005, which had a value of CI \$41.5 million. The Netherlands Antilles was second as overall origin, with CI \$85.6 million, or 8.6 per cent of total imports. Japan followed with CI \$10.5 million, or 1.1 per cent of total imports. The United Kingdom and Jamaica were fourth, each with CI \$6.9 million, or 0.7 per cent of total imports.

Madam Speaker, permit me to mention that the total amount of duty free imports reached CI \$75.9 million in 2005, or 7.7 per cent of total imports.

The Cayman Islands' Overseas Trade Statistics 2005 Report has been an important data source not only for estimating Government revenue, but also for various uses of local and foreign investors. This

will be made available to the public through the website of the Economics and Statistics Office which is www.eso.ky.

Thank you, Madam Speaker.

The Actuarial Valuation of Public Service Pensions as of January 1, 2005

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 Actuarial Valuation of Public Service Pensions as of January 1, 2005.

The Speaker: So ordered.

Does the Honourable Member wish to speak thereto?

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

Looking at the Order Paper, honourable Members will see that there are two other actuarial valuation reports to be laid. With your permission, Madam Speaker, I would wish to give my global comments on all of the actuarial reports in one set of speaking notes at the end of the last valuation report to be tabled.

The Speaker: Okay.

The Actuarial Valuation of the Parliamentarians Pensions Plan as of January 1, 2005

The Speaker: Honourable Third Official Member.

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

Madam Speaker, I beg to lay on the Table of this honourable House the Actuarial Valuation of the Parliamentarians Pensions Plan as of January 1, 2005.

The Speaker: So ordered.

The Actuarial Valuation of the Judicial Pensions Plan as of January 1, 2005

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Madam Speaker, I beg to lay on the Table of this honourable House the Actuarial Valuation of the Judicial Pensions Plan as of January 1, 2005.

The Speaker: So ordered.

Does the Honourable Third Official Member wish to speak thereto?

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

Madam Speaker, I wish to make some very brief remarks in respect of the three actuarial valuation reports that have just been laid on the Table of this honourable House.

The valuation reports of the Public Service Pensions Plan, the Parliamentarians Pensions Plan and the Judicial Pensions Plan have been laid on the Table of the Legislative Assembly in accordance with section 12(4) of The Public Service Pensions Law (2004 Revision), section 10(6) of The Parliamentary Pensions Law, 2004 and The Judges' Emoluments and Allowances Order, 2005.

The purpose of an actuarial valuation is to determine:

- (1) Whether the Plans are capable of meeting their liabilities at the rate or rates of contribution currently in force;
- (2) The rate or rates of contribution required for the Plans to meet their liabilities if current rates are not so sufficient;
- (3) The amount of actuarial deficiency or surplus to be disclosed on the balance sheet.

Watson Wyatt Worldwide, a firm of actuaries, performed the actuarial valuations of the Public Service Pensions Plan, the Parliamentarians Pensions Plan and the Judicial Pensions Plan as of 1 January 2005. The review must be carried out by an actuary using reasonable actuarial assumptions agreed upon by the actuary and the Public Service Pensions Board. A summary of these assumptions are as follows:

- An investment return on the various Plans' assets of 7 per cent;
- An inflation rate of 2.5 per cent;
- Salary increases of 4 per cent;
- Pension increases of 2.5 per cent to match the inflation rate of 2.5 per cent.
- Retirement ages of 57 for the Public Service Pensions Plan, 55 for the Parliamentarians Pensions Plan and 65 for the Judicial Pensions Plan

The actuarial valuation report presents the following findings for each of the Plans:

Fund	Public Service Pensions Plan	Parliamentarians Pensions Plan	Judicial Pensions Plan
Past Service Liability at 1 January 2005	CI \$300.6 million	CI \$15.5 million	CI \$0.84 million

Assets at 1 January 2005	CI \$134.9 million	CI \$2.2 million	CI \$0.89 million
Actuarial (Deficiency)/ Surplus at 1 January 2005	(CI \$165.7 million)	(CI \$13.3 million)	CI \$0.05 million

For the Public Service Pensions Plan the past service liability as of 1 January 2005 was CI \$300.6 million; the assets of the Public Service Pensions Plan as at 1 January 2005 were CI \$134.9 million; the actuarial deficiency, as a result of those two figures, as at 1 January 2005 was CI \$165.7 million.

Madam Speaker, I should add that the actuarial valuation reports would then specify contribution rates which are designed to remove that deficiency, not immediately, but over a 20-year period.

Madam Speaker, in respect of the Parliamentarians Pensions Plan, the past service liability as at 1 January 2005 was CI \$15.5 million. If I could interject to explain that the past service liability simply reflects the value of service that, at 1 January 2005, would be the value of all of participants' service to the Public Service Pensions Plan, to the Parliamentarian Pensions Plan and Judicial Pensions Plan, an aggregation of the value of that period of service up to 1 January 2005.

The assets of the Parliamentarian Pensions Plan were CI \$2.2 million at January 2005, and therefore the actuarial deficiency on the Parliamentarian Pensions Plan at January 2005 was CI \$13.3 million, a simple subtraction of the two figures, Madam Speaker.

The Judicial Pensions Plan had a past service liability at January 2005 of CI \$0.84 million. The assets of the Judicial Pensions Plan, Madam Speaker, were to a total value of CI \$0.89 million. Therefore, of the three separate Plans, the Judicial Pensions Plan actually had an actuarial surplus at 1 January 2005 of CI \$0.05 million, or just a little bit over \$50,000.

I am therefore pleased to report that the total assets of the Judicial Pensions Plan, at 1 January 2005, exceeded the past service liability at that date, and therefore the Judicial Pensions Plan had a funding surplus of CI \$55,325.

The responsibility for setting contribution rates based on the results of the latest actuarial report is charged to the Public Service Pensions Board. The Public Service Pensions Board has recommended to the Government the contribution rates set out in the three actuarial valuation reports. These recommended contribution rates are being actively considered by the Government, and in the case of the Judicial Pensions Plan there is no need for a change to the existing contribution rate since that Plan has an actuarial surplus.

Thank you, Madam Speaker.

The Speaker: I recognise the Honourable Third Official Member.

The Cayman Islands Stock Exchange Annual Report for the Year Ended 30 June 2005

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

Madam Speaker, I beg to lay on the Table of this honourable House The Cayman Islands Stock Exchange Annual Report for the Year Ended 30 June 2005.

The Speaker: So ordered.

Does the Honourable Third Official Member wish to speak thereto?

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

Madam Speaker, I wish to present some highlights from the 2005 Annual Report.

For the year ended 30 June 2005, there were 197 new issues that were listed, taking the gross number of listings to 907. The total market capitalisation of these issues was US \$63.71 billion, of which US \$56.41 billion related to mutual funds.

As a result of the United Kingdom Inland Revenue's recognition for the Exchange, there was a significant growth during the 2004/05 financial year in debt securities listings. In addition, the first Eurobond was listed on the Exchange during that year.

The law firms of Ogier and Stuarts Walker Hersant Attorneys-at-Law became listing agents during the first quarter of that financial year, and one broker member had its membership terminated in October 2004 as a result of breaches of the rules of the Exchange.

I am pleased to report that for the year ended 30 June 2005, the Exchange's revenue increased to CI \$1,128,164. This result surpassed the forecast for the year and enabled the Exchange to attain self-sufficiency and profitability in advance of the targets, with a net operating profit of CI \$139,828, after deducting operating losses of CI \$988,336. [pause]

Madam Speaker, the remainder of my speaking notes should take me just about an additional two minutes at the most.

The financial performance of the Exchange enabled the Government grant to the Exchange for the financial year ending 30 June 2005 to decrease from CI \$270,746 in the previous financial period to just CI \$70,213 in the year to 30 June 2005. This reflected a steady decline in the grant support from the Government to the Exchange. In fact, Madam Speaker, I should note that the position as of the 2005/06 Budget (which is for the year ended 30 June 2006) indicates that the Exchange is now completely self-supporting and there is no funding requirement from the Government to the Exchange.

Total shareholder equity in the Exchange rose to CI \$710,041 as of 30 June 2005, and the Exchange Board authorised that CI \$139,828 profit be paid in dividends to the shareholder, the shareholder being

the Cayman Islands Government. This payment was made on 19 April 2006.

Madam Speaker, by way of brief update, I am pleased to report that since the financial year ending 30 June 2005 has passed there have been four new Eurobonds listed on the Exchange. Additionally, the total number of listings has increased to 1,157 as of 1 November 2006, with a total market capitalisation of US \$99.6 billion.

Madam Speaker, I would conclude by saying that the Annual Report, which of course includes the audited financial statements for the Exchange, has received a clean or an unqualified opinion from the Auditor General.

Thank you, Madam Speaker.

The Speaker: Proceedings will be suspended until 2.30 to allow the National Day of Prayer.

Proceedings suspended at 11.44 am

Proceedings resumed at 2.44 pm

The Speaker: Please be seated. Proceedings are resumed.

**The Cayman Islands Compendium of Statistics
2005**

The Speaker: Honourable Third Official Member.

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

I beg to lay on the Table of this honourable House the Cayman Islands Compendium of Statistics 2005.

The Speaker: So, ordered.

Does the Honourable Third Official Member wish to speak thereto?

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

Madam Speaker, I am pleased to have tabled the 2005 Cayman Islands Compendium of Statistics. The Compendium has been the primary source of statistics about the socio-economic matters in the Cayman Islands. As in previous years, the 2005 edition of this document was a co-operative activity involving not only the Economic and Statistics office, but other entities in the public and private sectors that provided the data presented in the various tables. We gratefully recognise the contribution of these entities and this recognition is listed in the acknowledgement page of the Compendium.

The statistical information in the Compendium can be categorised into three primary areas, namely, macroeconomic data, sectoral data and social data. It is worth mentioning that macroeconomic data and sectoral data were analysed in the 2005 Annual Eco-

nomics Report, which I presented to this honourable House on the 28 July 2006.

A summary sheet of key statistics entitled "The Cayman Islands at a Glance" is provided on page 1 of the Compendium. This table highlights some of the most important economic and social indicators of the publication. As the Compendium contains in excess of 100 pages of data, I will not attempt every specific area but will highlight data in the key areas.

Macroeconomic Data. Gross Domestic Product (or GDP): Real GDP grew by 6.5 per cent in 2005 compared to 0.9 per cent in the previous year. Inflation: Consumer inflation rose by 7 per cent in 2005 compared to 4.4 per cent in 2004. Unemployment: The unemployment rate was registered at 3.5 per cent in 2005 compared to 4.3 per cent in 2004. The prime lending rate: The average prime lending rate in the fourth quarter of 2004 increased from 4.93 per cent to 6.83 per cent in the last quarter of 2005. Imports: The value of imports increased from \$725.9 million in 2004 to \$990.4 million in 2005.

Sectoral Data. Financial services: Mutual fund registrations rose from 5,932 in 2004 to 7,107 in 2005. Insurance Licences increased from 722 in 2004 to 759 in 2005. Total companies registered, increased from 70,133 in 2004 to 74,905 in 2005, and Madam Speaker, those numbers that I just mentioned would essentially be the end of the year numbers on the registry at the end of that particular year, and not the number of companies registered during the course of the year.

Tourism: Cruise arrivals increased from 1.69 million in 2004 to 1.8 million in 2005; stay over arrivals fell from 259,900 in 2004 to 167,800 in 2005. Construction: The value of planning approvals rose from 470 million in 2004 to 520.5 million in 2005. Real estate: The value of real estate transfers increased from 339.2 million in 2004 to 450.8 million in 2005. Transportation and communication: The number of registered vehicles rose from 26,601 in 2004 to 31,466 in 2005.

Social Data. Population: The Cayman Islands estimated resident population increased from 36,340 in the fall of 2004 to 52,465 in the fall of 2005. Population growth in the fall of 2005 reached 44.4 per cent compared to 17.7 per cent in the fall of 2004. Birth rate: The birth rate per a thousand of the mid-year population increased from 13.8 in 2004 to 14.5 in 2005. School enrolment: The total enrolment in all schools for reception, primary, middle and secondary education reached 6,751 in 2005 from 6,070 in 2004. Doctors to population ratio: The number of doctors per one thousand of the year-end population fell from 2.0 in 2004 to 1.4 in 2005. Nurses to a population ratio: The number of nurses per one thousand of the year end population fell from 6.2 in 2004 to 4.4 in 2005.

Madam Speaker, these are just some of the key statistics that can be very useful for decision making, not only in the public sector, but also in the private

sector as well. The aim of the Portfolio of Finance and Economics is to make these available to as many members of the community as possible and even to those outside of the Islands. Therefore, beginning this year, the various chapters of the Compendium will be made accessible online through the web site of the Economics and Statistics Office which is www.eso.ky. This is our modest contribution for making statistics an integral part of decision-making in the Islands.

Thank you, Madam Speaker.

QUESTIONS TO HONOURABLE MINISTERS AND MEMBERS OF CABINET

The Speaker: Honourable Leader of Government Business, I think we need to suspend 23(7) first for questions to be asked after 11 am, and then 23(6) to allow more than three questions in the name of one honourable Member.

Suspension of Standing Order 23(7) and 23(6)

Hon. D. Kurt Tibbetts: Madam Speaker, as you have just explained, I would therefore beg the suspension of both the relevant Standing Orders so that we can not only ask questions after 11 am but also that more than three questions can be asked by the same Member. Thank you.

The Speaker: The question is that Standing Order 23(7) be suspended in order to allow questions to be asked after 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.

The Speaker: The question is that Standing Order 23(6) be suspended in order to allow more than three questions in the name of one honourable Member to be asked on the same day. All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. The relevant Standing Orders are accordingly suspended.

Agreed: Standing Order 23(6) suspended.

Question No. 8

No. 8: Mr. Osborne V. Bodden asked the Honourable Minister responsible for the Ministry of Education, Training, Employment, Youth, Sports and Culture if there are any plans to enhance TVET offerings to meet the needs of our workforce.

The Speaker: Honourable Minister responsible for Education, Training, Employment, Youth, Sports and Culture.

Hon. Alden M. McLaughlin, Jr.: Madam Speaker, the answer: This issue spans the work of two key departments in my Ministry, the Education Department and the Department of Employment Relations, which places the Cayman Islands in an ideal position to make significant advances in the delivery and organizational structure of technical and vocational education and training in these Islands.

The Ministry of Education, Training, Employment, Youth, Sports and Culture has been working closely with the Department of Employment Relations to assess the workforce needs of the Cayman Islands. This work will continue to inform the development of TVET offerings and will be augmented by further discussions with the private sector to assess their needs.

In addition, both the Chief Officer and I recently spoke at the University of the West Indies Country Consultation on the 3rd and 4th of October this year, which specifically addresses human resource development in the Cayman Islands. In both of these presentations we took the opportunity to stress the importance of establishing a structure of TVET offerings in this jurisdiction. To this end the Ministry has also been engaged in discussion with a senior team from the University College of the Cayman Islands.

Further discussions are also ongoing with the school's Inspectorate, the National Curriculum Review Team and Sunrise Centre. I am keen to ensure that all students are exposed to technical and vocational education, that the merits of TVET are accentuated and that it is not viewed as the poor relation of education. I assure you, Madam Speaker, that we cannot afford for this unfortunate misconception to prevail.

Indeed, my Ministry is committed to consulting with any interested group on this important aspect of our future economic and social development. A productive dialog with the Cayman Contractors Association has also been established, and it must be stressed that the input of the trades and profession is absolutely fundamental to the ultimate success of any TVET initiative. We must move forward on this together and we cannot do this without the input and agreement of the trades and profession.

I am also pleased to report that the Ministry has secured the services of Mr. Robert Gregory, one of the regional leaders in this field, to speak at the second National Education Conference on the 1st of December 2006. Mr. Gregory will speak along with Professor Stephen Heppell and Mr. Prakash Nair, both world renown experts in the development of educational facilities and learning environments which underscores the importance that my Ministry is attaching to the development of technical and vocational education and training in these Islands.

Although we are at the early stages of planning, the Ministry is actively considering the adoption of international standards for technical and vocational qualifications which would be based on demonstrating practical competences in respective fields. A graduated approach comprising various levels, which is standardised across all TVET courses, would offer students clear paths for development and would ensure that employers have a better idea of what to expect of persons with TVET qualifications. Such a system would drill down into schools through a new national curriculum and would extend logically and progressively into the tertiary sector through close collaboration with TVET providers, including UCCI (University College of the Cayman Islands).

This vision would require the establishment of something akin to a national training agency in order to manage this process, and my Ministry is currently reviewing the potential remit and legislative framework necessary for the establishment of such a body.

When consultations have been completed I look forward to being in a position to place a former proposal for the enhancement of TVET offerings in the Cayman Islands before this honourable House.

Supplementaries

The Speaker: Are there any supplementaries?

The Third Elected Member for the district of Bodden Town.

Mr. Osbourne V. Bodden: Thank you, Madam Speaker, and I thank the Honourable Minister for that comprehensive answer.

As this is an area and topic that has been on the cards for a long time, I think it is safe to say that not as much effort has been put into it over previous administrations. The public and also the workforce has criticised that we are not preparing our young people for the work force in the proper manner.

I think I understand the concept of the all-inclusive school and the fact that we will have an integrated approach going forward, however, would the Minister say whether there are any plans along with this approach to maybe have a specialist vocational training centre where the curriculum would be based on all vocational studies and not so much on the academics, although that would be a prerequisite? Would there be any plans to have that as part of the overall plan or is it simply that all of the schools will have a vocational component going forward?

The Speaker: Honourable Minister responsible for Training.

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

Madam Speaker, we are absolutely convinced that technical and vocational studies ought to be a part of the national curriculum and that all high

schools in the government system would provide that element in their teaching.

One of the things that militate against having a stand-alone vocational high school is that immediately you have a stigma attached to that particular institution, that is, an institution which is perceived as being available to those who are not good academically. We are fighting that sort of stigma in Cayman as is being fought elsewhere and we are determined to break down a great deal of the prejudice and issues which relate to it. So, we believe that an integrated approach is the one that is absolutely necessary and to be preferred.

However, beyond that it is becoming more and more difficult to make a clear distinction or division between the academic and technical subjects as the use of computers and computer programmes is an increasing component of even the most academic of subjects. So, there is a significant overlap, and indications are that that overlap is only going to increase as the roll of ICT becomes even more important in everything we do—in teaching, and in learning, and, indeed, in the particular subjects being taught and learned.

The Speaker: Are there any further supplementaries? [pause] Are there any further supplementaries? [pause]

If there are no further supplementaries on that question I have been asked by the Leader of Government Business (who is traveling to Cayman Brac on official business), if we could move his question which is number 12 to be asked at this point. The question is that question 12 be asked at this time. All those in favour please say Aye. Those against, No.

Ayes.

Agreed: Question 12 moved forward.

Question No. 12

No. 12: Hon. W. McKeever Bush asked the Honourable Leader of Government Business, the Minister responsible for the Ministry of District Administration, Planning, Agriculture and Housing: (a) if it is the Government's intention to put the second Government Administration building in the eastern district and, if so, where; and (b) what is the cost of the land

The Speaker: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker.

The answer is: The Government is currently investigating the possibility of locating the second Government Administration building outside of the central George Town area. These investigations are ongoing and as such no formal decisions have been taken as to a specific site.

Supplementaries

The Speaker: Are there any supplementaries?
Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: Madam Speaker, can the Minister be more specific to say whether it is government's intention to put the building in question outside of George Town and into which of the eastern districts. Bodden Town? North Side?

The Speaker: Honourable Leader of the Opposition, I think the Honourable Leader of Government Business has clearly stated in the [answer] that they are currently investigating the possibility of locating it outside of the George Town area but the investigations are ongoing. I do not know if the Honourable Leader of Government Business is in a position to elaborate.
Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker.
Madam Speaker, I believe I understand the question asked by the Honourable Leader of the Opposition. I think he is questioning whether we are with intentions of building the building outside of the actual district of George Town. I think that is his question. The answer is, Madam Speaker, there is only one site that was looked at which is outside of the George Town district at present. To be very truthful, Madam Speaker, that one site itself is not very favourable for all purposes and intentions. While the answer stands as I read it, which is that no firm decision has been made, what I can say to the Member is that outside of this site all of the other sites that are being contemplated would be within precincts of what we know as the district of George Town.

An Honourable Member: The electoral district of George Town?

Hon. D. Kurt Tibbetts: The electoral district of George Town.

[Inaudible interjections]

The Speaker: Are there any further supplementaries?

Hon. W. McKeeva Bush: That is all I wanted to know, the electoral district of George Town.

The Speaker: If there are no further supplementaries we will move on to the next question.

Question No. 9

No. 9: Mr. Osborne V. Bodden asked the Honourable Minister responsible for the Ministry of Education, Training, Employment, Youth, Sports and Culture to

say why an Education Facilities Planner was hired at this time.

The Speaker: Honourable Minister responsible for Education.

Hon. Alden M. McLaughlin, Jr.: Madam Speaker, the answer: The National Consensus on the future of Education in the Cayman Islands identified as a priority the clear need for a policy regarding buildings and facilities. I quote from that document, Madam Speaker, "**We must manage the maintenance of schools and development of new schools effectively, to ensure we have the facilities to deliver a world class education and meet the growing demands for school places.**" (Page 18 of the National Consensus Document).

Responding to this, the Ministry has proceeded to start the process toward the construction of the three new high schools. It also recognises, however, that the majority of our education facilities on the three Islands need attention. An assessment is urgently needed regarding how effective our existing education facilities are in supporting the desire for high quality delivery of teaching and learning. This has not been done before, and is a pressing need.

Research shows that there is a direct relationship between the facilities built and the ways those structures can positively impact teaching and learning. It is from this vantage point that the need for the services of an educational facilities planner was considered. With the major cost implications of the planned new facilities it is essential that we seek world class advice and get it right, there is no second chance.

The services which the Educational Facilities Planner will provide are:

- To work along with the architects on the design of the new high schools to ensure that the facilities allow for maximum positive impact on the delivery of teaching and learning throughout the buildings;
- To provide training to education personnel on facilities-related issues so that teaching and learning can be maximised in both new and existing facilities.

In essence, Madam Speaker, the facilities planner will teach the teachers how to get the most out of the students in the new facilities.

In addition, his function will be:

- To carry out educational adequacy assessments of all classrooms and across all our school facilities for both existing and new schools. The assessment process would evaluate the educational effectiveness of all our classrooms and identify what short-term works need to be addressed and where medium or longer term capital works are required. In the case of the new schools the assessments would be applied to the design process which has already started;

Finally, Madam Speaker, the Planner will enable us:

- To use the report from the assessments of all schools to complete a master plan for renewal and redevelopment of all existing primary schools and Cayman Brac High School. This master plan would provide a proper schedule for the timely and efficient delivery of school facilities which would reflect the demand for places as well as ensure that the quality of education provided is of the highest standard.

This is the first time that a truly comprehensive review of all schools will have been done, linked directly to teaching and learning. The review is urgently needed!

Supplementaries

The Speaker: Are there any supplementaries?

The Third Elected Member for the district of Bodden Town. Sorry! Third Elected Member for the district of West Bay.

Mr. Cline A. Glidden: Thank you, Madam Speaker.

I need a bit of clarification on the Education Facilities Planner. Recently in the newspaper there was a lot of discussion about a hiring that was done of a firm and it brought attention because it was a significant costing that was not put out to tender. I wonder if that is the same thing we are talking about concerning an Educational Facilities Planner.

When speaking about the architectural firm, could the Minister say what is the difference between the hiring that was much discussed in the paper and this Education Facilities Planner?

The Speaker: Honourable Minister responsible for Education.

Hon. Alden M. McLaughlin: Madam Speaker, I am afraid I will need a clarification from the Honourable Member. The Member spoke to someone being hired in relation to a matter which had not gone out for tender. I am not aware of any such matter emanating from my Ministry.

The Speaker: Honourable Minister, I will allow the Third Elected Member for West Bay to ask his question again, but I do think it is outside this question and if you are in a position to answer it I will allow you to, if not, it can be a question at a next meeting.

Hon. Alden M. McLaughlin: Madam Speaker, I am quite happy to answer any question that the Member or any other Member has in relation to my Ministry at this point, but I just need to make sure that I know what it is he is asking.

The Speaker: Honourable Third Elected Member for the district of West Bay can you wrap your newspaper question around the answer to this question?

An Honourable Member: Wrap it to the question, not to the answer.

Mr. Cline A. Glidden: Yes, Madam Speaker, what I am questioning is: This is the first time that I am hearing about the Education Facilities Planner.

The only other thing that I have heard concerning planning and work is new hirings by the Ministry. I have seen it in a newspaper article which referred to some \$5 million that had been given to a firm, and there were some complaints from the Contractors Association talking about a company having been hired without adequate tendering or adequate abilities for the local companies to have an opportunity. I was asking whether that reference was the same as this reference, or referring to the Educational Facilities Planner. That is where the combination is.

I was asking the Minister whether both of those hirings were connected; if there was anything connected with those, or whether we are talking about the same individual or doing the same job that I saw referred to in the newspaper.

The Speaker: Honourable Third Elected Member, if my memory serves me correctly, it was some story about architects that were being used by the Ministry of Education that had been used at the Turtle Farm. I do not think the story included anything about an Educational Facilities—

[Inaudible interjection]

The Speaker: —used at some other project. I may be wrong. But I do not see where that ties into an Educational Facilities Planner.

Mr. Cline A. Glidden, Jr.: But I am asking the Minister if it does tie in, Ma'am.

Hon. W. McKeever Bush: Yeah.

The Speaker: Honourable Minister, the question that the Member is asking is if this story that was in the newspaper about architects ties in to be the same Educational Facilities Planner. Is that what you are seeking?

Hon. W. McKeever Bush: [Inaudible] tenders [inaudible] Turtle Farm.

Hon. Alden M. McLaughlin, Jr.: Madam Speaker, the difficulty in dealing with this question is because, in my view, the Member has chosen to frame his question in an argumentative and imprecise way so that I am not quite sure what it is he is trying to find out.

If he wanted to find out about the Educational Planner, and he had simply asked that question, I would be able to answer it. But he has included in his question all sorts of allegations—none of which are true—which he has adopted as the platform for his question. So I really am not going to go down the road

of trying to respond to every one of those allegations in an answer to a question.

If he wants to have a debate about that then we can have it in some other context, but not in relation to a supplementary question.

[Inaudible interjection]

The Speaker: Are there any further supplementaries?

[Inaudible interjection]

The Speaker: Third Elected Member for the district of West Bay.

What do you mean “she”?

I am the Speaker. I am here to be fair to all Members.

Hon. W. McKeeva Bush: [Inaudible] say that on the radio [inaudible]

Mr. Cline A. Glidden, Jr.: Madam Speaker, I am not sure who questioned your fairness. The First Elected Member for Cayman Brac and Little Cayman asked me if I was going to ask any further questions. But if you are asking me if I have a supplementary, yes, I do, Ma’am.

The Speaker: Well, I called upon you for your supplementary because I saw you reach for the microphone.

[Inaudible interjection]

Mr. Cline A. Glidden, Jr.: Thank you, Ma’am.

Madam Speaker, I am asking the Minister as to the truthfulness of that report. I was not asking to make any statements or questions [because] I do not know or have any information on that, and I have not been offered any information. All I was asking the Minister, since I have never seen a question here referring to the hiring of a Planner and I remember seeing something in the newspaper that was a significant amount, is if there was any correlation between those two hirings. If he sees that as being argumentative, I cannot do any more than that. But it was a simple yes or no.

I guess the question could then be whether this Educational Facilities Planner is costing us the \$5 million that I saw in the newspaper, where there was a question concerning the awarding of a contract that was not tendered; is this Facilities Planner is costing us five point something million dollars? Maybe he will appreciate that question more.

The Speaker: Honourable Third Elected Member, I think your supplementary could have stopped when you asked if this Planner related to the stories.

[Inaudible interjection from the Honourable Leader of the Opposition]

The Speaker: Pardon?

Hon. W. McKeeva Bush: You cannot tell us what to ask.

The Speaker: I am saying that the Minister could answer that rather than going on to ask if it is the \$5 million.

Honourable Minister, are you in a position—because the Standing Orders do say that the Member quoting from a newspaper must be able to prove that the facts in the newspaper are true. Honourable Minister, are you in a position to reply to the Third Elected Member’s question?

[Laughter]

Hon. Alden M. McLaughlin, Jr.: Madam Speaker, I am always most anxious to assist honourable Members, this House, and the public generally, in relation to any matter that relates to my Ministry. I gather that the Third Elected Member for West Bay simply cannot help himself sometimes.

The substantive answer clearly cross-referenced the work of the architects in relation to the new schools, the design of the new schools, and the function of the Educational Facilities Planner.

Let me say, Madam Speaker, how this works: The first thing is that all projects from my Ministry have been properly tendered in accordance with the financial regulations and under the guidance and supervision of the Central Tenders Committee.

No less than nine bids were received in relation to the architectural engineering services. They were properly tendered. The fact that some people were unhappy because they were not awarded the contract is par for the course.

[Laughter from the Honourable Leader of the Opposition]

Hon. Alden M. McLaughlin, Jr.: My Ministry has already issued a public statement in relation to it. It was broadcast in all media, and the printed media ran stories in relation to it. So I do believe, Madam Speaker, that the Third Elected Member for West Bay would have been apprised of that, and the amount was somewhere under \$6 million.

The tender for the Educational Facilities Planner and the remit of that work was also properly tendered . . . half-page ads were run in all newspapers. I do not have a copy of it with me, otherwise I would be happy to read it so that the Third Elected Member for West Bay would know precisely what its remit is.

I forget [exactly] how many persons applied, or how many firms applied for that particular job, but the firm of Fielding Nair International won the tender.

The substantive answer, I believe, addresses, the various functions that the Educational Planner will carry out. It is in relation to all of the schools in all of these Islands, so it is a substantial job.

The Speaker: Are there any further supplementaries?

Honourable Leader of the Opposition.

Hon. W. McKeever Bush: Can the Honourable Minister say what the cost of this consultant is?

The Speaker: Honourable Minister responsible for Education.

Hon. Alden M. McLaughlin, Jr.: The successful tender is \$1.6 million.

The Speaker: First Elected Member for the district of Cayman Brac.

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

With reference to page one, subparagraph (2), specifically as it relates to the Educational Facilities Planner, I wonder if the Honourable Minister could say whether or not the word "literally" was an insertion by mistake as he did not refer to it when he read. If it was not a mistake, could he inform this honourable House what it means for an Educational Facilities Planner "**To literally teach the teachers how to get the most out of the students in modern facilities**"?

The Speaker: Honourable Member, I do see the words "To literally teach . . ." but I did notice when the Minister was giving his reply he did not use those words at all. So one must assume that they were not supposed to be there and he used his own words. As we know, answers are prepared for Ministers so I think . . . Further supplementary?

First Elected Member for Cayman Brac and Little Cayman.

Ms. Juliana Y. O'Connor-Connolly: Madam Speaker, just to say that I deducted the same, but was trying to clarify whether when the written answer as was presented to us goes to press, this word would be inserted as I did not take that it is an intentional word that one would want the public to read.

The Speaker: I thank you for that observation, honourable Member, but I would hope that the press are matured enough that if they hear an answer to a question while they are sitting in the Legislative Assembly they would report the answer that is given from the Floor and not the printed.

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.

Madam Speaker, I take note on page one where it mentions that three new high schools will be built in Grand Cayman. Then I look at page two, item four, which I am extremely happy to see: "**to use the report from the assessments of all schools to complete a master plan for renewal and redevelopment of all existing primary schools and Cayman Brac High School.**"

We are in a stage in this budget cycle where we have money allocated for a school hall. The Minister, I believe, has satisfied himself with what he is going to do and how he is going to proceed with the school hall.

My question for him in this is: Am I safe to assume that when this master plan is completed—it says renewal and redevelopment—that in a period of three to four years, or maybe a shorter time, we will be in a position to have a new high school built in Cayman Brac?

The Speaker: Honourable Minister responsible for Education.

Hon. Alden M. McLaughlin, Jr.: Madam Speaker, I say this as a compliment. There is one trait that is common to all Cayman Brac representatives regardless of which side of the floor they are on, and that is Cayman Brac.

Madam Speaker, I am a little hesitant at this stage because we have the Facilities Planner on board to make any sort of definitive statements about what we are going to do in the long-term in relation to all of the schools.

I can say this: virtually all of the schools in the Cayman Islands are either under tremendous strain, because we have difficulty accommodating the number of students (even a school as new as Prospect Primary), or when they are not under pressure there is an aging plant involved, and so all of them need some level of intervention.

The capital cost involved in building a brand new physical plant for the entire Islands is in the hundreds of millions of dollars, so the Government has to take a short-term, a medium-term and a long-term view about how we deal with the need to accommodate our students in 21st century standard school facilities.

In the short term we know we have the three high schools here, which design work has begun on. There is a need and we are hoping—certainly before the end of this term—to have a new primary school for George Town to replace the George Town Primary School, which is, by and large, a very old facility and inadequate.

Hon. W. McKeever Bush: It's terrible!

Hon. Alden M. McLaughlin, Jr.: However, in relation to Cayman Brac, my vision at this stage, subject to what we are doing now with the Facilities Planner, is to move the Cayman Brac High School to the Bluff, in a new purpose-built facility which would mirror what we are doing here. I think that concept will work well because the concept that we are adopting here is a modular concept, with each of the campuses comprised of a number of modules, each module with a capacity for 250 students. If we adopt that sort of modular concept for Cayman Brac we can transfer, essentially, the design to the Brac without too much difficulty.

I see it in the vicinity of the property that is being developed as the sports complex in Cayman Brac so that the young people there would have greater access to whatever sports facilities are finally developed on that site.

So I do not want to push the boat out and say that is something that could be done in this term. We will have to look at the numbers. We will have to look at a range of things, but it is certainly where I see the development of educational facilities on Cayman Brac going at this stage.

The Speaker: I will allow one final supplementary.

Second Elected Member for the district of Cayman Brac and Little Cayman.

[Inaudible interjection]

Mr. Moses I. Kirkconnell: Thank you, Madam Speaker.

I just wanted to thank the Honourable Minister. That was the reply I was looking for. I think it was also the reply that the First Elected Member for Cayman Brac and Little Cayman was looking for—not that I could read her mind, but I see a nod.

Just to make mention that maybe you could consider in the next budget to continue the programme on the Bluff with the playing field, which all seems to feed into your vision.

Thank you.

The Speaker: Madam Clerk.

Hon. W. McKeeva Bush: Next question.

The Speaker: The Third Elected Member for the district of Bodden Town.

Question No. 10

Mr. Osbourne V. Bodden: Thank you Madam Speaker, it is good to see we have a Minister with vision these days!

[Inaudible interjections]

No. 10: Mr. Osbourne V. Bodden asked the Honourable Minister responsible for the Ministry of Education, Training, Employment, Youth, Sports and Culture what plans does the Honourable Minister have to improve services to youth (and even though it does not say it here) in these Islands? I do not want any confusion leaving out Cayman Brac or Little Cayman.

The Speaker: We are getting better all the time.
Honourable Minister responsible for Youth.

Hon. Alden M. McLaughlin, Jr.: Thank you, Madam Speaker. Today is my day it looks like.

The Speaker: Let's hope it's not Tom Fool Day.

[Laughter]

The Speaker: Not meaning that to the Minister directly. *[Laughter]* Sometimes we need to laugh, or . . . *[Laughter]* I just meant that the Members were not fooling you, Honourable Minister, not that you were . . . I withdraw it

Hon. Alden M. McLaughlin, Jr.: The Ministry is in the process of transitioning all youth-related services out of the Department of Youth and Sports, thereby creating a unit specific for youth services.

Office accommodation has been secured and the necessary work plan for the remainder of the year agreed with the Ministry. The setting up of this unit will allow for greater synergies between it and the national Youth Commission and give a renewed focus to youth issues. The staff complement is expected to increase and the unit will be . . . in fact, Madam Speaker, the unit is already fully operational . . .

The National Youth Policy will be the subject of a review which will include a wide stakeholder consultation process. The Ministry is in the process of tendering for a qualified Youth Consultant.

This process will take into consideration the work undertaken by the Ministry of Health and Human Services on the *Situational Analysis of Risks and Vulnerabilities Facing Children in the Cayman Islands* and *The Pre-Disposing Factors to Criminality in the Cayman Islands*, prepared for the Hon. Attorney General.

I recently had the pleasure of meeting with a group of young people who are now hard at work at developing the framework for our National Youth Assembly. This body will serve as the umbrella organisation of young people to represent and advocate for and on behalf of youth. It will be charged with being the voice of young people in national as well as youth specific issues. Its primary function therefore is youth empowerment.

The Ministry looks forward to receiving the report from the group by year end.

The Ministry is promoting the Diploma in Youth Development Work in collaboration with the

Commonwealth Youth Parliament Caribbean Centre and UCCI, which will take place November 20th to 24th and January 22nd to 26th. The course is mandatory for all the coaches of the Department of Sports and will also be available to interested members of the public as space permits. Coaches who work with youth throughout the Cayman Islands have a captive audience and the focus for youth sports will be to determine how best the vehicle of sports could be used to develop better citizens. The subjects to be taught include: Young People and Society, Principles and Practice of Youth in Development Work, and Working with People in Their Communities.

In support of funding district youth programmes the Ministry is taking a critical look at the manner in which grants are awarded with the development of new guidelines for the award of such grants. Youth programmes will need to be focused and needs driven. It will be crucial for those administering youth programmes to ensure that they have qualified Youth Workers in their programmes and are following the recommendations of the National Youth Policy. This approach will ensure cohesion in dealing with youth issues and will be part of the new focus of the Youth Services Unit.

And finally, the Ministry has embarked on a pilot programme in the district of West Bay which it hopes to implement throughout the districts. This will be the primary use of the Sports Office which was established at the John Cumber Primary School Playing Field and which will be formally opened in a few weeks. The office there will house the office of the Community Coach for the district and provide storage for sports and other equipment. More importantly it will have a classroom and a computer room. Some four teachers will be a part of the programme which will combine physical activity and homework help. The final details are still to be worked out, but the essence of the program will be that participants must present their most recent report card to enroll. They will be assessed by the teachers to determine the areas where they are weak and smaller classes will be tailored to meet the specific needs.

Supplementaries

The Speaker: Are there any supplementaries?
Honourable Leader of the Opposition.

Hon. W. McKeever Bush: Madam Speaker, can the Minister say where they are with the work at the Ed Bush Stadium?

The Speaker: Honourable Minister for Sports, this question is on youth. I do not know if you have that answer here.

Honourable Leader of the Opposition, you can bring that as a question on its own. This question is on youth and you are asking a question on sports.

Hon. W. McKeever Bush: It's all for youthful service as well.

Hon. Alden M. McLaughlin, Jr.: Madam Speaker, it is a question I am quite happy to answer. I just do not think I have all of the . . . I can go from the top of my head (but I would rather not) as to exactly where we are on every point; but I am quite happy to answer the question.

Although it is your function, Madam Speaker, I believe it is outside the scope of the original question, but I am quite happy to answer it.

The Speaker: Honourable Minister, will you undertake to give the answer in writing to the Honourable Leader of the Opposition?

Hon. Alden M. McLaughlin, Jr.: Yes, Madam Speaker, but if I could have a moment to confer with my Chief Officer.

The Speaker: Sure.

Hon. Alden M. McLaughlin, Jr.: We might have some of the information here.

The Speaker: Okay, go ahead.

Hon. W. McKeever Bush: Outside?

The Speaker: It is.

Hon. W. McKeever Bush: Stop protecting them!

[Inaudible interjections]

An Hon. Member: Doesn't the first paragraph talk about the mix of youth and sports?

The Speaker: Honourable Minister responsible for youth.

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

Madam Speaker, I do not have any of the documentation with me, but I will attempt this answer.

The Truman Bodden Sports Complex and the Ed Bush Sports Complex, I think everyone knows, suffered substantial damage as a result of the hurricane.

The stands for both of those facilities were custom built. We have recently had a visit from the manufacturers of those to look at them, evaluate the damage and decide whether they had to be replaced or whether they could be repaired. So that evaluation has taken place and they can be repaired.

In relation to the lights, we have taken a decision in the Ministry not to go back to the standard form of lighting but to use lighting which can actually be lowered during any serious weather, because many

hundreds of thousands of dollars worth of lights were destroyed simply because they could not be taken down or could not be taken out without a great deal of trouble.

I personally had a look at the Stanford Stadium in Antigua, and the equipment they have there allows the lights to actually come right down and rest on the ground. We are proposing to use that kind of equipment at both stadiums.

We are in the process now of signing our Service Level Agreements (SLAs) with Public Works to commence the repair of both facilities. In the case of Truman Bodden it is a much bigger project because it involves a replacement of the track. Although this question was not asked, we have had the people down who have done the track, and the survey has been carried out and costing has been done in relation to the repair to that.

The timeline for completion of both stadiums is 30 June next year.

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 any of the youth grants have been cut?

The Speaker: Honourable Leader of the Opposition, we are really getting far outside the scope of the original question.

Are there any further supplementaries that relate to this question—

Hon. W. McKeeva Bush: Madam Speaker, to my mind it relates, but maybe to yours it does not.

The Speaker: Maybe not.

Hon. W. McKeeva Bush: However, you are the Speaker, so I bow to your ruling.

Can the Minister say whether the funds are in the present budget for another consultant?

The Speaker: You have referred to a consultant on the National Youth Policy in this answer, I think, and I think that must be what the Minister . . .

An Hon. Member: Third paragraph.

The Speaker: In the third paragraph it says, “**The Ministry therefore will retain the services of a qualified Youth Consultant.**”

Hon. Alden M. McLaughlin, Jr.: Yes, Ma'am.

The Speaker: Okay, thank you.

Hon. W. McKeeva Bush: That was not the question, Ma'am. I am asking whether he had the money in the present budget.

The Speaker: Well, that is what he said. Yes.

Hon. W. McKeeva Bush: Okay. All right.

The Speaker: First Elected Member for the district of Cayman Brac and Little Cayman.

Mr. Cline A. Glidden, Jr.: I want to go back to a question about the lights [inaudible]

Hon. W. McKeeva Bush: We're not worried. I want to see the work done!

The Speaker: First Elected Member [for Cayman Brac and Little Cayman] you give way to the Third Elected Member for West Bay?

Ms. Juliana Y. O'Connor-Connolly: Yes, Ma'am.

The Speaker: Third Elected Member for the district of West Bay.

Mr. Cline A. Glidden, Jr.: Thank you, Madam Speaker.

Madam Speaker, going back to a previous answer that was given by the Minister in regard to the sports facilities—both Ed Bush playing field and Truman Bodden playing field—while I agree with the decision of the Minister to look for a new solution for the great expense with light, I just wonder if the Minister has given any consideration to the possibility of providing some sort of temporary lighting so that our youth could still enjoy the benefits of practicing and playing on the field.

I know we have one field in West Bay that is quite heavily used. For the community to use the Ed Bush playing field along with the practice field since the hurricane, they have been employing the use of portable lighting at a significant cost. I just wonder if the Minister has considered maybe using the lights that were not damaged and some of the poles that exist, even on a temporary basis; and, if so, whether it is something that we could look forward to so that they could start using the facility before the full upgrade is completed in June.

The Speaker: Honourable Minister responsible for Sports.

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

Madam Speaker, the answer to that is yes. We are looking to see what we can do to address that particular concern.

The Speaker: First Elected Member for the district of Cayman Brac and Little Cayman.

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

I wonder if the Honourable Minister could share with the House the ideology behind the prerequisite for acquiring a recent report card for persons to enroll in the pilot programme in the district of West Bay.

The Speaker: Honourable Minister responsible for Youth.

Hon. Alden M. McLaughlin, Jr.: Madam Speaker, I am not professing to be an expert on this particular thing. This is a provision that has been recommended by the teachers who will be actually assisting with the programme. I suspect it is so that they will have some idea of the areas of strength and relative weakness of the students who are there so they can be able to work on those particular areas where there is a need.

The Speaker: I will allow one more supplementary.
Third Elected Member for the district of Bodden Town.

Mr. Osbourne V. Bodden: Good to see so many good things going on in West Bay, Madam Speaker.

Hon. W. McKeeva Bush: Good to see what?

Mr. Osbourne V. Bodden: Good things by this Government.

Hon. W. McKeeva Bush: Yeah!

The Speaker: This is Question Time.

[Inaudible interjection]

Mr. Osbourne V. Bodden: Question No. 11—sorry. What am I doing? Supplementaries, sorry. I am confusing myself. Sorry, Madam Speaker.

[Inaudible interjection by the Honourable Leader of the Opposition]

Mr. Osbourne V. Bodden: Madam Speaker, the hours of the pilot programme in West Bay, I wonder if the Minister is in a position to say whether there are any hours associated with that. Maybe not established as yet, I am not sure. . .

Thank you.

The Speaker: Honourable Minister responsible for Youth.

Hon. Alden M. McLaughlin, Jr.: Madam Speaker, I do not have the specific hours, but it is an after-school programme so it will run from after school, I would suspect, into the early evening.

[Inaudible interjection]

The Speaker: Madam Clerk.

Question No. 11

No. 11: Mr. Osbourne V. Bodden asked the Honourable Minister responsible for the Ministry of Education, Training, Employment, Youth, Sports and Culture to say what plans are in place to support improvements to the area of Special Education Services within our schools.

[Inaudible interjections and laughter]

The Speaker: Honourable Minister responsible for Education.

Hon. Alden M. McLaughlin, Jr.: The 2005 National Education Conference identified special educational needs as an area of concern to teachers and parents. Specifically, the concerns identified the need for better identification of students' learning needs, a lack of clarity regarding processes regarding the referral of students, the policies surrounding the allocation of resources and the limited nature of the resources that were available.

In addition, there was a concern for the need of greater attention to the teaching of students with particular gifts or talents. To ensure that all aspects of special education needs in Government schools are considered the Ministry of Education, Training, Employment, Youth, Sports and Culture has engaged a consultant to undertake a comprehensive review of the current service, make recommendations for improvement, and assist in the writing of appropriate policies and handbooks.

The Ministry is aware how important the issue of special needs is, and its impacts upon many of our students and their parents. This review will contribute ideas and insight which will help these issues be resolved quickly and effectively.

The review will culminate in a full consultation report to the Ministry which will include evaluation of data, interpretation of findings, and recommendations for the improvement of special needs and education psychology programmes. This report is expected to be ready by December 2006.

All policies are to be reviewed, as well as all handbooks, referral forms, and reporting forms. Additionally, recommendations are required for the training for support staff and that offered to teachers to enable students identified as having a special education needs issue to succeed in their classrooms.

This review is to consider all aspects of the work of specialist support staff, the adequacy of the resource provision against the identified need, the deployment and management of the provision, including guidelines and accountability. The Lighthouse

School and Alternative Education Centre are also part of this review.

Cayman Brac and Little Cayman are a critical part of this review ensuring provision of equity and access for all children in all public schools.

Additionally, to ensure a holistic view of support services, the review will encompass school counselors and counseling services generally available for students.

This review will therefore cover the full spectrum of special education needs (SEN) provision, including Gifted and Talented students within the Cayman Islands public school sector and the broad range of counseling services affiliated to these efforts.

This work has started. The consultant has already met and talked to principals and special education representatives from every school in the Government system. He has also met with education officers, the Schools Inspectorate and held a public meeting for parents.

He is here this week to conduct public meetings on Cayman Brac, and in Grand Cayman. He will also be meeting with a wide variety of representatives from Government agencies, including Health, Family and Child Services, Police amongst others. He will also meet with representatives from private schools.

Our consultant Brent Holt comes with an impressive array of qualifications and experience, which suit him to the task at hand. He is the Interim Executive Director for Exceptional Education for Tucson Unified School District in Arizona, which comprises over 60,000 students. There he is lead psychologist providing executive level leadership for over 50 school psychologists, whose expertise spans a wide range of disciplines. Mr. Holt provides leadership for the Arizona Association of School Psychologists (AASP) as the chairperson for the Committee for Child and Family Advocacy

Mr. Holt is particularly qualified for this review and is very aware of Cayman's own particular needs, owing to his experience serving as an educational psychologist to the Cayman Islands Government during the demanding times of Hurricane Ivan in the 2004/2005 school year.

Once this plan has been received and considered, the Ministry will make every effort to implement the recommendations made.

The whole transformation of the education service is focused on putting the student at the very centre of our planning. This includes every student. I am determined that we will provide the full range of services required in a timely manner to allow all students equal access to the school curriculum and maximise their chances of success.

Supplementaries

The Speaker: Are there any supplementaries?
Honourable Leader of the Opposition

Hon. W. McKeeva Bush: Madam Speaker, I am glad that the Minister of Education is in good form today.

I am just making an inquiry as to—the question was rather long—whether it did say anything about the Sunrise Centre. But yes, I do want to know what the cost of the consultant is and, as an attendant to that Madam Speaker, what is happening to the Department of Education.

The Speaker: Honourable Minister, I guess you can answer the cost of the consultant, but I do not think that the Department of Education comes into special education services.

Honourable Minister, could you answer the part of the question referring to the cost of the consultant?

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

The cost of the consultancy is CI \$15,000, one five. As far as the Department of Education is concerned, I believe the Leader of the Opposition may have been away when we did the presentation on the new governance model for the administration of educational services in these Islands.

Hon. W. McKeeva Bush: No, I was here.

Hon. Alden M. McLaughlin, Jr.: If he was here he has obviously forgotten that presentation.

Hon. W. McKeeva Bush: No, I have not forgotten it. I just want to know what you are doing with the Department of Education.

The Speaker: Are there any further supplementaries?

Hon. W. McKeeva Bush: Yeah, a couple more. Give us some time.

The Speaker: If there are no further supplementaries—

Hon. W. McKeeva Bush: No Ma'am. I would need a consultant!

[Inaudible interjection and laughter]

The Speaker: If there are no further supplementaries, I will take a short suspension of ten minutes, please. Ten minutes.

Proceedings suspended at 3.57 pm

Proceedings resumed at 4.15 pm

The Speaker: Please be seated. Proceedings are resumed.

Before we move on to Private Members' Motions, I would just like to say before any media gets the idea that when I spoke about hoping it is not Tom Fool Day that I was speaking anything about the Honourable Minister of Education or the questions that were being asked. It was just in jest.

[Inaudible interjection by the Honourable Leader of the Opposition]

The Speaker: No, the Honourable Minister said nothing to me. But as the person sitting in this Chair, I think it is my responsibility to ensure that whatever I say does not reflect on the ability of any Member of this Parliament, thus my reason.

Madam Clerk.

STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF THE CABINET

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

OTHER BUSINESS

PRIVATE MEMBERS' MOTIONS

Private Member's Motion No. 1/06-07

Stamp Duty Concessions for Caymanian Homeowners

The Speaker: Honourable Leader of the Opposition.

Hon. W. McKeever Bush: Madam Speaker, I beg to move Private Member's Motion No. 1/06-07 standing in my name, which reads

BE IT RESOLVED THAT the Government considers reviewing the Stamp Duty (Rates of Duty) Regulations 2006 to provide that first-time Caymanian homeowners pay stamp duty at the rate of 2 per cent on the excess of CI\$200,000 to a maximum of \$300,000 in relation to the new paragraph 8 (b) (i) of section 2(i) of the Stamp Duty (Rates of Duty) Regulations 2006.

The Speaker: The Motion has been duly moved. Can I have a seconder?

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

The Speaker: The Motion has been duly moved and is open for debate. Does the honourable mover wish to speak thereto?

Honourable Leader of the Opposition.

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

Madam Speaker, Members would know that, in view of the housing problems over the many years, in 1993 I started a housing project which took off stamp duty on first-time buyers of land and a built house. Over the years we have had to increase those amounts, and today I find it necessary—never mind that we have had to increase it recently—to ask for a further increase.

The position today is where one can get a duty concession on a house up to \$200,000. However, if the valuation of the house is \$201,000 you lose your duty concession. I know that this has brought some hardship on first-time Caymanian homeowners, and we believe that we should change this so that if the valuation goes beyond the \$200,000, the Caymanian would pay the stamp duty on the difference up to a value of \$300,000 and does not lose the concession on the \$200,000.

We believe that this makes a whole lot of sense to a first-time homeowner, and we are therefore asking Government to support this request.

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

Honourable Third Official Member.

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

Madam Speaker, I rise to say that in respect of Private Member's Motion No. 1/06-07 the Government is prepared to consider the Motion. That position is entirely consistent with the precise wording of the Motion, which asks the Government to consider reviewing the Stamp Duty (Rates of Duty) Regulations to, in effect, provide marginal relief—that is that stamp duty be calculated at a rate of 2 per cent for first-time Caymanian homeowners on the excess over \$200,000 for a property, but that that excess be limited to a maximum of \$100,000.

Madam Speaker, in considering the Motion, I believe it is useful for me to:

1. Outline what the previous regime was in respect of stamp duty payable by first-time Caymanian property owners;
2. Say what the current regime is; and
3. What the impact of the current regime is on first-time Caymanian property purchasers.

Madam Speaker, under the previous regime prior to the Stamp Duty (Rates of Duty) Regulations, 2006, in the case of a first-time Caymanian property purchaser, if the property involved both land and a building, the limit for 0 per cent stamp duty being payable by a first-time Caymanian purchaser was \$150,000. That limit has been moved to \$200,000. So currently, a first-time Caymanian acquiring a property

that had a building on it to a value of \$200,000 would not have to pay any stamp duty at all.

Previously, the case was that if the property just involved land and not a building, the limit for the value of that land to attract a 0 per cent stamp duty for a first-time Caymanian purchaser was \$35,000. Currently that limit has been increased to \$50,000.

Madam Speaker, under the previous regime, once a first-time Caymanian purchaser went above those limits (\$150,000 and the \$35,000) they would face a 5 per cent stamp duty rate. In the course of producing the 2006/7 Budget, the Government, in addition to increasing the limits from \$150,000 to \$200,000, and from \$35,000 to \$50,000, introduced a new stamp duty charge band of 2 per cent that was never there before.

Madam Speaker, in the case of a property in excess of \$200,000 (that is, a property that involves a building) but does not exceed \$300,000, the applicable rate of stamp duty for a first-time Caymanian is 2 per cent. In the case of land that exceeds \$50,000, but does not exceed \$75,000, a first-time Caymanian property buyer would have to pay in such an instance a stamp duty rate of 2 per cent. That was a new band that the Government introduced that was never there before.

Madam Speaker, therefore, in considering the before-and-after situation (if I can refer to it as that) if one considers under the previous regime a property that had a value of \$200,000, the stamp duty that would be payable under that regime would be \$10,000. That is, it will attract a rate under the previous regime of 5 per cent stamp duty on \$200,000 and it would be \$10,000.

Excuse me, Madam Speaker.

[pause]

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

Madam Speaker, under the current regime that costs exactly \$200,000, it involves a property. Currently, that would attract no stamp duty for a first-time Caymanian purchaser. And so, the effect of moving the limit has resulted in first-time Caymanian property owners having, essentially, a savings, or having not to pay \$10,000 in stamp duty when compared to the previous regime.

Madam Speaker, if we then move a bit beyond the \$200,000 limit and consider the purchase of a home that cost \$300,000, under the previous regime the stamp duty applicable to that would be 5 per cent of \$300,000, which would be \$15,000.

Under the current regime a home being purchased by a first-time Caymanian that cost \$300,000 would attract a stamp duty rate at 2 per cent. Two per cent on \$300,000 would be \$6,000. So, if one compared the current regime with the previous regime, first-time Caymanians would benefit by a net savings of \$9,000.

Madam Speaker, the current regime has, therefore, already caused first-time Caymanian property owners to benefit from some fairly substantial improvements in the amounts that they would not have to pay as stamp duty. The Government deliberately did that to bring some benefit to first-time Caymanian property owners and to encourage property ownership by first-time Caymanians.

Madam Speaker, if we were to compare what the current Motion is asking for, essentially (if we had a \$300,000 home) under the current regime (as is right now) that \$300,000 home by a first-time Caymanian would attract a 2 per cent stamp duty rate and therefore \$6,000.

In essence, what the Motion proposes is that the 2 per cent rate not be applicable to the entire \$300,000, but, rather, the excess of \$100,000—that is, the \$300,000 price less the \$200,000 limit at the 0 per cent rate would give an excess of \$100,000. If you apply a 2 per cent rate on \$100,000, the resulting figure is \$2,000. So the difference between what the Motion proposes and what the current position is on a \$300,000 home would be \$4,000.

So, Madam Speaker, the Government is prepared to consider the Motion. We have asked for the analysis to be carried out as to what the impact would be if the Government went the additional step of not only agreeing to consider the Motion, but went on to implementing it. We have asked for the analysis to determine what the impact of that implementation would be on the Government's revenue stream for the current 2006/7 year. That collation or collection of data and analysis is still currently ongoing, Madam Speaker, and this will be reviewed by the Government when that analysis is completed.

Therefore, in the meantime I can conclude that the Government's position on Private Member's Motion No. 1/06-07 is that the Government is prepared to consider the Motion.

Thank you, Madam Speaker.

Moment of Interruption—4.30 pm

The Speaker: It is the hour of interruption. I will entertain a motion for the adjournment of this honourable House.

Honourable Minister responsible for Health.

ADJOURNMENT

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

I move the—

The Speaker: Honourable Minister, one moment.

Is it the wish of this House for us to complete the Motion on the Standing Order, which is just a presentation and acceptance?

Hon. V. Arden McLean: Madam Speaker, the Leader wishes to respond to this Motion, and thus the reason why we would prefer to adjourn the House at this time.

The Speaker: Honourable Minister of Health.

Hon. Anthony S. Eden: I move the adjournment of this honourable House until 10 am tomorrow.

The Speaker: The question is that this honourable House does now adjourn until 10 am tomorrow morning. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. This honourable House does now stand adjourned until 10 am tomorrow morning.

At 4.32 pm the House stood adjourned until 10 am Friday 10 November 2006.

OFFICIAL HANSARD REPORT
FRIDAY
10 NOVEMBER 2006
10.27 AM
Third Sitting

The Speaker: I will ask the Fourth Elected Member for the district of George Town to say Prayers.

Cayman Brac and Little Cayman on official business; and the Third Elected Member for the district of West Bay.

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.

**READINGS BY THE HONOURABLE
SPEAKER OF MESSAGES AND AN-
NOUNCEMENTS**

Apologies

The Speaker: I have received apologies from the Second Elected Member for the district of West Bay for late arrival; apologies for absence from the Honourable Leader of Government Business, who is in

GOVERNMENT BUSINESS

BILLS

THIRD READINGS

**The Land Holding Companies Share Transfer Tax
(Amendment) (No. 2) Bill, 2006**

The Clerk: The Land Holding Companies Share Transfer Tax (Amendment) (No. 2) Bill, 2006.

The Speaker: I recognise the Honourable Third Official Member.

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

Madam Speaker, I beg to move that a Bill entitled The Land Holding Companies Share Transfer Tax (Amendment) (No. 2) Bill, 2006, be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled The Land Holding Companies Share Transfer Tax (Amendment) (No. 2) 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 Land Holding Companies Share Transfer Tax (Amendment) (No. 2) Bill, 2006, has been read a third time and is passed.

Agreed: The Land Holding Companies Share Transfer Tax (Amendment) (No. 2) Bill, 2006, given a third reading and passed.

**The Churches Incorporation (Amendment) Bill,
2006**

The Clerk: The Churches Incorporation (Amendment) Bill, 2006.

The Speaker: Honourable Third Official Member.

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

I beg to move that a Bill entitled The Churches Incorporation (Amendment) Bill, 2006, be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled The Churches Incorporation (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 Churches Incorporation (Amendment) Bill, 2006, has been read a third time and is passed.

Agreed: The Churches Incorporation (Amendment) Bill, 2006, given a third reading and passed.

The Customs (Amendment) Bill, 2006

The Clerk: The Customs (Amendment) Bill, 2006.

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you.

Madam Speaker, I beg to move that a Bill entitled The Customs (Amendment) Bill, 2006, be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled The Customs (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 Customs (Amendment) Bill, 2006, has been read a third time and passed.

Agreed: The Customs (Amendment) Bill, 2006, given a third reading and passed.

MOTIONS

Government Motion No. 7/06-07

Pre-Disposing Factors to Criminality in the Cayman Islands

(Continuation of debate thereon)

The Speaker: I recognise the Honourable Minister responsible for the Ministry of Communication, Works and Infrastructure continuing his debate on Government Motion No. 7/06-07.

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

When we took the adjournment on Monday last, I was debating Government Motion No. 7/06-07. I had touched on some of the recommendations in the Report as commissioned by Government and conducted by Dr. Forde, on the "Pre-Disposing Factors to Criminality in the Cayman Islands". I believe I was told that I had just over an hour left.

The Speaker: Madam Clerk, is that the correct time for the Honourable Minister?

The Clerk: One hour and 11 minutes [inaudible].

The Speaker: One hour and 11 minutes.

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

I do not propose to take all of that because I know other Members would like to speak. I am moving on to the section on education, and my intent is to draw some parallels with the findings of Dr. Forde and that of what this Government is putting in place.

Madam Speaker, before I do that, I know on Monday I spoke about the responsibilities of the community and institutions within the community—that is, churches, businesses and the likes—and their involvement. However, I would like to make it quite clear that this is not a bashing of any institution; it is merely a call for these institutions to play their part in assisting and keeping our country [from] the type of behaviour that, prior to recent times, was foreign to us. So I certainly would make that plea to all institutions and say to them I am not here to bash them. I am here asking them for their assistance and support in stemming this type of behaviour before it reaches any further than where we are today.

Madam Speaker, this Government has done much in the 18 months that we have been in office to try to stem the little nuances and problems that we have in our country. We are no different from any place else in this world. However, that is no excuse. I am not looking for any excuses to justify anything. We have a responsibility to ensure that our citizens are safe. We have a responsibility to ensure that our citizens have reached their full potential to become valued citizens in our country. Much has been done, but no matter how much money we throw at it, if the gates are open and the horses are out, it is too late. We need to do it much earlier.

That is the objective of this Government and that is our dream: to ensure that before we have to fight it, we can prevent it by supporting our people and, in particular, our youth through education.

[With that] said, Madam Speaker, I will turn briefly to some of the findings of Dr. Forde. On page 55 the good lady [offers] her recommendations, and I will just read the first part of the recommendations on education, which are at 3.31.

It says: "**First, it is imperative that a well-designed plan of remedial education is developed**

and firmly pursued in order to ensure that, from an early age, low achievers are given the kind of special and dedicated attention they need and deserve. This recommendation is supported by the 2005 Cayman Islands Report on Education which states that there must be 'a commitment in our schools to work with *all* students to improve their performance and to overcome obstacles to learning.'

Then she goes on at 3.32 and, in part, says: **"Secondly, there needs to be a school program of technical and vocational education . . . This would most likely include, but not be limited to, the development or utilization of a technical training institute to teach viable income-generating skills."**

Now, Madam Speaker, I am sure the Minister of Education is going to speak on this because it covers his constitutional responsibilities. But, certainly, we all remember the "National Consensus on the Future of Education in the Cayman Islands" that was approved by this honourable House.

When the Honourable Minister for Education conducted, I think it was called the workshop on the needs of education in Cayman where over 600 participants were involved, and they came from all walks of life in this country, the objective was to see what we needed to do with education and going forward, and how Caymanians viewed it and what they would like to see in our education system.

Madam Speaker, in the "Foreword" from Minister McLaughlin, he talked about the feedback from the many stakeholders. In one paragraph he said: **"The Government has received tough messages from the stakeholders in our education system. They have told us that the way we administer the education services in these islands must change. And they have told us that the quality of the education product must be improved."** This ties well into what Dr. Forde is recommending, as well.

Madam Speaker, we can safely say that this Government has taken the 'bull by the horns', so to speak, and recognises that there is a need for us to change the way we go forward with our education process.

In the "Executive Summary" of that same document, on page six it says, **"The conference has provided a national mandate for change. [This is the conference that was held.] Outlined below are the specific strategic measures that will be taken by the Ministry to achieve a transformation of the education service in the Cayman Islands:"**

Madam Speaker, I just want to touch on two of those: Bullet point three says, **"The development of an Early Years unit to set standards, evaluate performance and support improvements in day-care centres, pre-schools and Reception programmes."**

The other one is, **"The development of technical and vocational education and training (TVET) programmes at primary, secondary and**

post-secondary levels, to enable young people to develop skills and aptitudes in a wide range of technical and vocational areas and to develop good work ethics."

Now, Madam Speaker, it is obvious from Dr. Forde's report that we need that early intervention with our children in this country. It is something that has been neglected for many, many years. This Government is committed, and we have the Minister of Education to do that for us.

[Inaudible interjection]

Hon. V. Arden McLean: Madam Speaker, we need to ensure that we reach our kids.

I spoke on Monday about how there are so many single parents in this country who are struggling to raise their children. We as a Government believe that while that is happening—and we would like to see every child in this country have two parents involved in raising them even if they are not living together—we believe that this country owes those children a responsibility to catch them at an early age, to ensure that that responsibility, education, and those ethics are instilled in them.

It is not only in the home, Madam Speaker, it is also the responsibility of the schools to ensure that this happens — that what happens in the home is enhanced at the school. The good teachings of the homes are in hands at the school level.

Madam Speaker, for many years we have talked about vocational training. I keep hearing people talk about how vocational training is an alternative to academic training or academic abilities. There is no such thing; every child has the capacity to succeed. And you really need to be smart to do vocational training, so we must stop putting this stigma on vocational training. You have to be smart [for] vocational training. It is just your choices in life that we need to make provisions for.

Madam Speaker, I am a perfect example. My son was going to college for business administration. Two months before his final semester he decided that was not what he wanted to do. He wanted to do auto mechanics. Today he is a qualified auto mechanic—vocational training. Certainly he had to go elsewhere to do it. He realised that that was what he wanted to do, but he needed the background to be able to do it. I too went into vocational training of marine engineering and otherwise.

[Vocational training] is not for dumb people. It is not for people who do not have the capacity to learn. It is for people who have a leaning towards that. There are people who want to be accountants and there are people who want to be lawyers. Are you telling me that there is a difference? That is their choice. It requires different training.

An auto mechanic requires different training. An electrician requires different training. I can tell you, Madam Speaker, that in this country vocational train-

ing can bring in many instances more money than many lawyers.

So we have to stop stigmatising this thing about vocational training and it is for those who cannot be a lawyer. It is for those who want to be a mechanic; it is for those who want to be a technician; and it is for those who want to be an electrician. That is what it is for. Not all of us want to be lawyers. Madam Speaker, all of us cannot be lawyers, nor can all of us be accountants, or doctors! So who are we going to tend to then? Doctors tending to each other?

[Laughter]

Hon. V. Arden McLean: We have got to stop it, Madam Speaker, and I have heard it for too long. It is an alternative education. That is all it is. It progresses you up the ladder in your chosen field. That is all it is. You still have to learn how to become a mechanic. You have to learn the intricacies of how that vehicle works. Do you think any lawyer can deal with that? *Why he don't come out there and fix his car then, or the doctor?* He knows what makes the body work, but he has to drive from work to home and it is not a human body that carries him. It is a vehicle!

So, Madam Speaker, we keep saying that it is the uneducated that commit crime. We need to provide the avenues for them to do what they want to do. We have failed. This country has failed in that regard for many years. It spans many generations, and many administrations, in particular. We believe if you are not a doctor and if you are not wearing neck ties, then you are nobody. And it has contributed to our children feeling less than they are. It has, Madam Speaker.

My son, who is 22 years old, is no less than anyone else in this country because he is an auto mechanic. I am sure I am going to have to rely on him when I am down and old. I know I can tell the children of this country two areas of very good vocational training that will always be needed: auto mechanics and barbers. Hair is going to grow and cars are going to break down.

[Inaudible interjection]

Hon. V. Arden McLean: And I would encourage them, it is a vocation—well, with the exception of Official Members in this Chamber, Madam Speaker!

[Laughter]

Hon. V. Arden McLean: Because they are cheating the barbers! Yeah, I understand that! But most of us would like to have hair and keep our hair.

Another area is tailoring, Madam Speaker. I recall when I was going to school my clothes were made by ladies in East End. *I didn't too like them how they were shaped but . . .!* Today, the majority of the tailors are foreign people coming here to keep the country going. Or, we go to Miami and buy from

someone [clothing] made in Taiwan, and we have never seen the face of this person. I think they are made in Mexico now, too.

[Inaudible comments]

Hon. V. Arden McLean: So, Madam Speaker, when the Minister of Education set out on this quest to ensure that every child in this country is given the chance to reach their full potential, it is part and parcel of addressing the overall difficulties that we have been seeing over the past many years. We remember the report cards that they came in with and the F's that they were given and that kind of stuff.

We make too many promises to our people in this country, and when they turn to the opposite side of the law, we then try to correct them by incarcerating them. We are looking at alternative sentencing because . . . and I said it before as a member of the Opposition Bench—"Northward" is the worst word in this country for any young person. If you go to Northward, even to visit, Madam Speaker, immediately you are stigmatised. We are not giving our people the opportunity to correct their mistakes.

Madam Speaker, many of us—all of us—have made mistakes in our lives, but we are now crucifying them. We need to be a little more lenient towards people's leanings and try to correct them early. We all have that responsibility, Madam Speaker.

Madam Speaker, [in the] "National Consensus on the Future of Education in the Cayman Islands" [I turn to] the "Outcomes of the Education Conference 2005 and the Wider Consultative Process". As I said, there were over 600 participants. **"Qualities that we want our students to have by the time they graduate from high school"** is the number one heading under "Outcomes" from that conference. It says, **"The conference participants came up with a list of over 370 qualities and attributes which they would like Caymanian students to have acquired by the time they leave our high schools."**

Madam Speaker, you know what is surprising here? I did not see this expressed in any real detail in the press after this was laid on the Table of this Legislative Assembly. But I am sure the good Minister of Education will deal with that.

Going on, Madam Speaker: **"There was much overlap and commonality between the suggestions, which included a wide range of intellectual, academic, personal, moral, spiritual and social attributes. These suggestions have been incorporated into a 'profile of the educated Caymanian', which states that an educated Caymanian will:"** and there are a number of bullet points. But I specifically want to touch on four of those which are relevant to this debate that we are having here today.

- **Be well-rounded, good at finding solutions to problems, flexible and adaptable to changing circumstances and demands**

And that is what we would like in particular, Madam Speaker, **“finding solutions to problems”** because those children are going to have problems in their lives like we all had. But we want them to be able to have the capacity to find solutions to those problems and not a reoccurrence of what we recently had in my constituency. There are alternative methods, and alternative ways of doing things, and there are alternative solutions. And that is what a good, educated Caymanian should be capable of doing.

Madam Speaker, another bullet point:

- **Have a strong work ethic and willingness to become an honest, reliable and responsible member of the work force**

Madam Speaker, you understand this does not start after we have come out of school, this starts at an early age, and that development is part and parcel of the responsibility of this country. This is not about school only. This is about parents as well; this is about home life; this is about community; this is about churches; this is about businesses; this is about the three Cayman Islands and all who reside therein, and ensuring that this is what these young Caymanians will be when they leave school.

Another one, Madam Speaker:

- **Be respectful of God, him/herself, others, people from different backgrounds, the environment and property**

Madam Speaker, even though there were only 600 participants—and, as I understand it, many more would have liked to come but they could not be accommodated—I would like to think that is a reflection of this country period. And whatever is put here is a reflection of the country. I say to those 600 participants: thanks for expressing what the rest of us could not get there to do. I also say it was not over the day that the conference [ended]. It was not over. It has only just begun.

If we leave this and do nothing and do not support the Minister in his efforts, then the Report that we have in front of us will be repeated year after year – that is, Madam Speaker, the Report on Pre-Disposing Factors to Criminality in the Cayman Islands. They all tie in together. It is but one objective. It is but one goal, with many, many pieces making it possible.

Madam Speaker, I certainly do not want to steal the Minister’s thunder because I know he is going to tie a lot of this in, but remember I said the profile of an educated Caymanian is:

- **Be a good team player, civic-minded and willing to serve**

Madam Speaker, if we achieve just those four that I spoke on—and there are probably about ten—

we will have done this country proud and our citizens who will take this country over eventually. Madam Speaker, this Report from Dr. Forde has almost 200 pages. If we achieve those four, this Report will be down to congratulations. There will be very few pages in here. Our country, our people, need to remember that this Report is a guide for what we need to do. It is bringing to the forefront the difficulties that we are having and the probabilities of additional problems.

Now, the Minister of Education can do anything he wants and can do as much as he wants and this Government can do as much as it wants. It would be for naught if the rest of the community is not with us. It is not about campaigning for election. That is over, Madam Speaker. We will get to that again God willing. Right now it is about this country. It is about stopping what this Report is saying is potential problems for this country. We need the help of the people of this country. We need the help of the judicial system. We need everybody. We need the help of the police.

Madam Speaker, this Government announced that we have put money into the fighting of crime—\$50-odd million—since we came into office. Madam Speaker, that money could be better spent in educating our people and supporting our people in achieving their ultimate goals. Hopefully that recurrent expenditure for police over time will be reduced, because we have educated Caymanians and they are getting into the workplace and finding their rightful places. They are not feeling like they are sidelined and like they are ostracised from society because that is what has caused this Report. They feel like they have been marginalised in their own country, and I make no excuses today, Madam Speaker.

They feel like they have been marginalised over the years. And we are constantly getting the thoughts in our heads about the haves and the have nots. Madam Speaker, we know of many countries, and not very far away, where that mentality has destroyed those countries. We do not want our country to get in that position.

If we allow that gap to continue to widen, we are lost. Our country will be lost. This is a capitalist society and yes, there will always be people with more money than others. But opportunities are what I am talking about for our children. We have to ensure that we address this Report. There is obviously a problem.

Yes, my son came out of school and he went out and made his application and he has his job. Thankfully I did not have to help him; he went into an area where there are not a lot of Caymanians. I suspect he will change again later on or go back to do his Masters. In any event, that is fine by me. I will work my fingers to the bone so that he can do what he wants to do in that regard.

Madam Speaker, I am sure — and I am not disrespecting my son—that if my son had gone out there and educated himself as an accountant or a lawyer or something like that, he would have had

more difficulties because there are much more people in the workforce in that area. I am not telling Caymanians not to go and do it. I am just saying that he was fortunate because he did vocational training.

I encourage people to do vocational training, not because they are dumb. It will put them in that middleclass where they can do it for themselves. If we do not start from down at the bottom, where this lady [the author, Dr. Forde] is saying we need to start . . . what was it the old people used to say, Madam Speaker? If you do not burn the tree from the time it is young you won't burn it later on. "Spare the rod and spoil the child." And I ain't talking about the rod that my father put on me!

We need to develop a sense of "belonging" in the minds of our children in order that they do not fall through this crack; in order that they develop their full potential and understand that they are Caymanians; and be proud of being Caymanians but understand that when they develop themselves this country is going to embrace them. If we do not do that, Madam Speaker, they are going to feel marginalised. And it does not matter whether they did not finish school or they are lawyers. You can still feel marginalised whether you are the most educated person in this world, and you can turn the other way.

Madam Speaker, there is so much one human being can take, and if he feels painted into the corner he is going to come out. What happens when he comes out is the result of this Report by Dr. Forde. We cannot afford to let that happen, be it through them not getting the opportunity to get educated or them not getting the opportunity after they get educated to come back and repaint them in the corner. No matter what, they must understand and get a feel for their value, and it is the community that has to do that. If it is everybody for himself and God for us all, then our opportunities with each other we are going to lose.

Madam Speaker, I support this Report and I look forward to the implementation of much of the Report.

I recall, as a member of the Opposition a few years ago, debating the plight (if I may say) of teachers in this honourable House: their wages, terms of conditions, terms of work and the likes. The Minister, again, is looking at those kinds of things. This time we are going to get some results out of it, Madam Speaker. At that time I specifically talked about the responsibility teachers have as well. Teachers have a very tough job. I also have said that I would not want to be a teacher but when you really think of it, teachers teach the world and without them we would have no formal training.

Madam Speaker, [Dr. Forde] spoke of the teachers. On page 60, mid paragraph, she says, **"Many teachers would confirm that they could have identified those students who were prison-bound because all the behavioural signs were on display in the school setting. In this regard, we**

must acknowledge that schools have a huge role to play in the crime preventive process. Everything must be done at this early stage to prevent the full flourishing of such conduct. What is therefore recommended is a well-designed behavioural modification program for at-risk youth and their parent(s)."

Madam Speaker, I think it is unfortunate that we have reached this point where parents are not supporting their children in school. I do not get to my younger child's school as often as I would like to, but I certainly support him and I support the teachers. I believe that there is a correlation and a relationship that needs to be joined at the hip. In so doing, I have always said to my children's teachers, "Do not ask me to be the first line of discipline for anything my child does in school and I will not ask you to be the first line of discipline for anything he does at home." His discipline must start there. I will enhance that; I will be the second line of discipline when he gets home. However, if it is five hours later that he gets home it is already forgotten. No matter what kind of punishment I put on him he will have forgotten what it was for. Discipline him there now. Teachers have a responsibility to do that.

We continually take away that responsibility from them and say, 'Oh, you can't do this and you can't do that and you can't do that.' And you know what happens? The teachers throw their hands up in the air and they walk away from your child. And you know what happens? Your child is ostracised and marginalised in the school.

Who did it?

We did.

We did it, Madam Speaker, because we say no one can discipline our child but us.

Remember I was talking Monday about how everybody beat me in East End every time I went down the road? I was not such a bad person, Madam Speaker.

[Inaudible interjection and laughter]

Hon. V. Arden McLean: Madam Speaker, certainly the teachers in our schools are part and parcel of this community. If we expect our next-door neighbours to play their part in the village concept, then the teachers have to be given that right too. Certainly I do not expect to see a footprint on the back of my child when he gets home in the evening; but I hope he will come home to me and tell me that the teacher punished him. I hope he does. That is a good place for him to come.

Do not tell me an adult is going to abuse a child. Madam Speaker, we are all human beings, and that may very well happen. I have had that in my personal life as well; not directly, but indirectly, to my sibling. You will get one or two people who will do something outside the rules and lines of responsibility and authority.

Certainly, teachers become disillusioned too because, as I said, it is a tough job. Sitting there all day, trying to get something across to 20, 25 children, and one is disruptive and [another] is not. But if parents are not there, we get ourselves in trouble because then the teachers have no way of saying, *'We need to discuss this child,'* and you can sit down sensibly and discuss it with them. And they will ostracise that child. They will marginalise the child. Then the child becomes disruptive and we blame the teacher. We should have started blaming ourselves from home.

We blame the teacher. Of course we tell the teacher, *'Your fault! You are supposed to be teaching him.'*

And what about your fault, parent? You are supposed to teach him ethics. You are supposed to discipline him. You are supposed to teach him respect for others.

Madam Speaker, is that not what we said we want them to be? [We want them to] learn to be the well-educated Caymanian, to be respectful of God, himself/herself (that is, the children) others, and people from different backgrounds. Where do you think our teachers come from? We cannot produce that many in this country. However, if we do not tell him at home that he has to be respectful to people of different backgrounds, he is going to go to school and disrespect that teacher who is from a different background.

Madam Speaker, do we see how this ties in? This is what we have said we want, and that is fine by me and I support that, but we have to play our role in it too. If we do not play our role, we are going to create criminals in our country. We are going to marginalise the same kids that I said on Monday, are born with no point of reference about life. If we do not teach them those good points of references someone else is going to give them one that they will follow. Is that what we want?

Madam Speaker, this is about us doing what we have to do in order that our society becomes what we want it to become. We have to stop—and we all do this—going home at five o'clock and locking up in our homes and forgetting about the community. We have to serve.

- **Be a good team player, civic minded and willing to serve**

We love to be the sideline participants in this country. We love that—everyone. Pirates Week is going on this week and we will see everybody on the sideline criticising, but they will not go out there and help. That is how it works. Then the radio shows will say that the Minister of Education was out there in his "junkanoing".

[Laughter]

Hon. W. McKeever Bush: Dancing up a storm!

Hon. V. Arden McLean: But at least he is taking part in it. We love to do that.

Then we love to criticise the police because, *'They were not in my neighbourhood and we saw those kids out there on the street and they are under age!'* We love that. It is easy for us to criticise, all of us, me included, Madam Speaker. We need to be a little more civic minded. And we love to criticise the ex-pat who comes here and gets involved with the social club. Oh, we love that! *He looking status.* There may be some truth to that, but at least during that time he contributed something to society. Give him a little slack. Give him a little chance to really see if he means well. At least he is not at home where you are. He is out trying to make society better. He or she, I am using "he" in a general sense, gender neutral.

Madam Speaker, we will take this Report and we will criticise, and we know the answers to how this came about but we would not stop it. We did not take part to stop it. Mind you, the other side of the coin is that we will get the ex-pat coming here writing the paper telling us what we have to do too, but do not get out and do anything! So [it is] not only Caymanians. I do not want anybody to think now that it is only Caymanians who do it. I see plenty of them writing in the papers, and have their whole full page every week, as if we were not here before they got here. We must have done something right.

Madam Speaker, it is all well and good to tell us what is wrong, but come out and help us change it. We are pleading. We are asking them to come and help us. We cannot do it alone. There are only 15 Members in here. Well, we have the three Official Members . . .

[Inaudible interjection]

Hon. V. Arden McLean: But the country elected 15 of us, Madam Speaker. And along with the three [Official Members] we cannot do it alone. We can legislate as many laws as we want; we can do as many reports as we want; we can commission as many reports as we want. It is not for us. We cannot do anything. At least we find the problem and we can suggest some solutions. However, it needs those same Caymanians who do not participate, and the same foreigners who do not participate in our country, and see this as a money-making machine. We need those to help us with this. This is the country that you want to live in. This is the country that I have to live in. *I ain't got no place go. I don't even have a British passport!*

This is what it is about: living together. Let us ensure that this way of life that we enjoy continues. And I am not talking about financially because, Madam Speaker, many years ago, when I was in my teens, Mr. Warren Connolly said to me (and I will never forget it), *'You want to go into politics? You remember this, Son: if the country have, you have. If the*

country don't have, you don't have.' I will never forget that.

Madam Speaker, I come out here to this political arena to make my contribution. There are other ways of making a contribution, and I will forever and ever be involved. I have nothing to lose, everything to gain.

I would encourage all those residents in this country, whether you can trace back six generations or you can trace back your plane ticket—*You still got your plane ticket? You haven't thrown it away yet?* This is a beautiful little country. Let us not be a sideline participant and we all suffer. Get involved. Let us make this ours! Make it a personal responsibility in this country to ensure it does not go any further with this criminality. If we do not personalise it, we are going to leave it on the shoulders of the police, and they cannot do it. We have to personalise this stoppage and the slide that this country is going on. Take it personal and stop being the front-porch politicians. There is no time for front-porch politicians. We are going to lose.

The day we lose, we then think about it as personal. It is too late. The day it is visited on either one of us it is going to be too late. Whether it is from my son or from my worst enemy's son, it is going to be too late, Madam Speaker. I go to my constituency this weekend to bury two — one funeral. How many more are we going to tolerate before we do something? Stop hiding behind your bank books and your deposits and your doors and your ivory towers. Come out, participate and stop it!

I grew up in that constituency, Madam Speaker. I can name people off one by one. You think it has not bothered me over the last week and a half? You think I have not questioned what I did wrong as a friend, as a colleague, as a representative, as a Minister? I have questioned that one million times.

Did I do enough? I do not know. I will forever live with that. Was it that I did not participate enough? How many more will have to feel that same way and be eaten inside like I have been in the last week and a half, before we do something? I do not know. We need to do it.

That is my plea, Madam Speaker, to all of us. Do not feel guilty like me. That has bothered me. Friends, family, people that I grew up with . . . Life gone because a problem could not be solved? That is not what this life is about.

Where did it begin? Was it me? Was it the community? Was it parents? Was it the system? What caused it? I do not know.

I have questioned myself since last week Wednesday. I do not know. I will never find the answers. But you know what? I [will] lay to rest two of my good friends. Life snuffed out—had only just begun life. I will do that on Sunday.

I think this country needs to think about it. Maybe on Sunday, at two o'clock when I am laying them to rest, this country should think about what I am

doing and understand how hard it is going to be for me. Maybe every resident in this country should think about it and ask themselves: What have I done lately? That is what they need to do.

Thank you, Madam Speaker.

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

The Honourable First Official Member.

Hon. George A. McCarthy: Madam Speaker, thank you very much. I am just pausing for a moment to extract the Motion from my file. *[pause]*

Madam Speaker, I rise to offer my support to Motion No. 7/06-07, "Pre-Disposing Factors to Criminality in the Cayman Islands".

Madam Speaker, I would like to start my brief comments by commending the Honourable Attorney General for commissioning this study. The Honourable Attorney General has set out the details of the study and what is anticipated to be achieved from this masterful piece of work. But the most important result that I think will come from it has already started, and that is by getting Cabinet's approval to assemble all of the various agencies in Government under the chairmanship of the Solicitor General, to sit around the table, to critique and rehash the Report and to submit specific recommendations, focusing very much on the role each Ministry and Portfolio of Government will play in terms of addressing the recommendations as set out in this Report.

Madam Speaker, I would also like to commend the Honourable Attorney General again for engaging the expertise of a criminologist from the region, Dr. Yolanda Forde, to develop this Report. The significance of using the expertise of this particular person I think is best summarised on page 17 of the Report that looks at the situation in Barbados.

Madam Speaker, if you will permit me to just look at that section of the Report, page 17 starts by saying: "**It is interesting to note that in a study involving 760 young people in the Caribbean nation of Barbados, it was found that there was a low level of participation in social and community groups . . . This study suggested that instead there appeared to be a relatively high level of informal peer association. It was found that young people who were similarly located in the social structure with similar experiences, practices and problems, interacted with each other to the virtual exclusion of mainstream social institutions. It is important to note that through informal peer association and the negotiation of responses to their social condition, young people can become enmeshed in an ever-widening spiral of deviance which can result in drug abuse, crime and violence.**"

Madam Speaker, I think this explains to us very carefully the gang culture and how it comes about. Looking at page 15 of the Report, there is a

chart and I will just read the comments that precede the chart: **“As the data below shows, the vast majority of inmates (66.7%) had no membership in any type of social organization or association during the two-year period prior to imprisonment.”** When we look at it, this is the breakdown:

- 20 per cent were involved in sporting activities
- 3.3 per cent were involved in religious activities
- 10 per cent in other therapeutic activities (counselling, et cetera)
- 66.7 per cent no active involvement

There is an idiomatic saying, Madam Speaker, and it is still relevant today. There is a certain fellow who finds work for idle hands, and idle minds are fertile breeding ground for trouble. But this need not be so. We have got in our hands a very useful tool by way of this Report.

Honourable Members of this House, Madam Speaker, will give their views and will comment on them; but I will implore the press in our community to take this Report, break it down chapter by chapter verbatim and present it in the *Caymanian Compass*, the *Cayman Net News* and *The Observer*, in order to inform the community about this Report and its contents. This is not a document that will achieve much by just having observations of the Members of the Legislative Assembly aired. It is one that the best result will be obtained by having the entire community galvanised and becoming involved.

Madam Speaker, at Eagle House we have approximately 20 youngsters. If any one member of the public visits that place, the question will be raised in one's mind: How can youngsters who are so vibrant with good potential find themselves in a place such as Eagle House? It is often times unfortunate. First of all, we cannot take lightly their infractions against society, but the question is: What were the circumstances that put these youngsters in Eagle House and caused for them to be there? We have had cases, Madam Speaker, where parents have been showing up at Eagle House with marijuana drugs for their children. We have cases such as this where it is much safer for the children to be behind bars than to find themselves in their home environment.

Again, the natural conclusion to be drawn is that, first of all, critical remarks should be rendered against the parents of such individuals, but those individuals who are parents, Madam Speaker, often times were incarcerated themselves. The question is: When they are released from Northward Prison, how are these individuals embraced by the community? We talk about rehabilitation. Fingers will be pointed to say, *‘I do not want anything to do with this individual. This is a person who at one point in time was in prison. He or she is not an individual to be trusted. He or she is not an individual that I am prepared to give a chance because I do not want to be associated with individu-*

als of such mentality.’ Madam Speaker, that is not the right way for us as a community, and society at large, to approach rehabilitation.

Madam Speaker, we are a small community of people, just over 50,000. To have 220 of our men and young men behind bars, together with 30 of our females in prison, we are talking about a population on an average of 250 persons. This is quite a significant percentage and it is one that we should look at very carefully.

When we look at page 17 of the Report, Madam Speaker, it says here: **“Use of Spare Time, The following nine (9) responses area a sample of answers that were given when the inmates were asked how they had spent their spare time during the 2-year period before coming to prison**

Respondent 155: “Only 6 months between coming back from reform school and coming to Northward”.”

Madam Speaker, we see right here that the stigmatisation starts with these individuals in terms of the fact that they have been in an environment, although not incarcerated. It is a small community where everybody knows everyone. The question is: How does society at large reach out to these individuals to say, *‘Yes, you are now back, but it does not necessarily mean that Eagle House or Northward Prison will have to be next on the list in terms of the places or establishments that you will be visiting.’*

It looks at the number of programmes, and I am sure that the Honourable Minister of Education has taken into account the rule that has been outlined here in terms of the educational system and also in terms of these individuals' educational development, the role that plays or does not play in terms of putting them on the straight and narrow path. Madam Speaker, I must commend the Minister of Education and the Ministry of Education for the wonderful results that are now being achieved. I must say that others before these individuals have laid down a very good track record, but they are building on the foundation that is there.

Recently, I was quite heartened when I spoke with the President of the University College of the Cayman Islands and he said that, whereby in previous semesters the university could have a population of up to 600 students enrolled, at this point in time, Madam Speaker, they have got in excess of 2,500 there. This is saying a lot because, if they are not at the University College of the Cayman Islands developing themselves, they are elsewhere falling within this 67 per cent that was mentioned here in terms of getting themselves involved in antisocial activity.

We see here where it has been pointed out in this Report, and it has been mentioned in this honourable House already, that the average cost of keeping an inmate in Northward Prison amounts to approximately \$53,000. I think it was the previous Member of

this Legislative Assembly (now deceased), Mr. Haig Bodden, who cautioned Members of this House by saying if anyone thought that education was expensive they should try ignorance. Madam Speaker, that cost is not reducing, it is going to continue to increase. But at the end of the day I think what every one of us would like to see (and we know that this is not going to be achieved in our lifetime or in anyone's lifetime) is to go up to Northward Prison, Eagle House and Fairbanks and find no one there other than probably one or few prison guards. I would like to see the doors to those institutions not having to be locked, and I do believe that the number of persons that we have in all three of them can be significantly diminished.

To achieve this, Madam Speaker, it will mean that society at large will have to be prepared to take some risk. It must be prepared to court some risks because in terms of the behaviour of these individuals, that is not going to be changed overnight.

It says here on page 123 of the Report: **“A problem can only be properly addressed if [it] has been properly assessed. This is particularly true as it relates to human behaviour because human nature is complex.”** Madam Speaker, I think this sentence in itself here speaks volumes.

Madam Speaker, the Portfolio of Internal and External Affairs is one of the agencies involved in the task force or study group that has been put together by the Honourable Attorney General under the chair of the Solicitor General. Dr. Pedley is a person that has been appointed to represent the Portfolio, and he is a principal policy advisor. He has made his submission on behalf of the Portfolio to which I concur with the views that he has communicated. I would like to just share a few of these observations which he made.

Madam Speaker, I should have organised my papers much better before I got up to speak, but I—

The Speaker: Honourable First Official Member, if this is a convenient point, I will take a 15-minute suspension.

Hon. George A. McCarthy: Yes, Madam Speaker.

The Speaker: Proceedings will be suspended for 15 minutes.

Proceedings suspended at 11.53 am

Proceedings resumed at 12.19 pm

The Speaker: Please be seated. Proceedings are resumed.

Debate continuing on Government Motion No. 7/06-07, “Pre-Disposing Factors to Criminality in the Cayman Islands”.

The Honourable First Official Member continuing his debate.

Hon. George A. McCarthy: Thank you, Madam Speaker.

Madam Speaker, at the time of the break I was about to read from the submission of the Portfolio as prepared by Dr. Pedley to the submission that was made setting out the Portfolio's contribution to the Chairman of the Committee appointed by the Honourable Attorney General, the Solicitor General. But as a precursor to those comments, I think what is most important in terms of dealing with this Report is the effect that it will have of bringing all stakeholders together to achieve a meeting of the minds on the way forward and as to how best the recommendations as set out in the Report should be implemented.

As I said earlier, Madam Speaker, to achieve this it is imperative that the recommendations of the Report and the Report itself be made known to the community at large. In this regard, the press by way of the *Caymanian Compass*, the *Cayman Net News*, The *Observer*, the television station, and the various talk shows, could take—and should take—an interest in this Report because what is done with this Report and the recommendations will make a difference in terms of the quality of life we will enjoy in the Cayman Islands as we go forward into the future.

Madam Speaker, to set a context for the Portfolio's recommendation, I think it is important for us to look at the terms of reference as found on page 5 of the Report. The terms of reference for the Report states that **“The Cayman Islands Government is committed to its efforts to maintain a stable and safe environment in which people can live, work and enjoy themselves.”** This is very much consistent with one of the objectives of the Government as set out in their manifesto, and I am talking from memory in terms of zero tolerance towards crime.

Madam Speaker, this may seem to be a utopian expectation. Is it attainable? I believe in part it can be attained. Should an attempt be made to deal with this and to see how attainable this objective is? I believe so. And as mentioned on previous occasions, what is being done is the taking of a holistic approach towards the fighting of crime in the Cayman Islands.

It was mentioned earlier, I think when the new Government came to power, that they would commit in excess of \$40 million over and above what the normal provision would have been. We have heard in terms of how this is being translated into action by a commitment of the Government to make sure that our coastal waters are properly patrolled by way of the acquisition of new boats and other watercrafts and the commitment of the Government to securing a fixed-wing aircraft and a number of other measures. We have heard quite recently in terms of the engagement of an expert in the prison-reform system to work together with the Director of Prisons and the various rehabilitation agencies. I am talking of Dr. Rattray, who holds the post of Commissioner of Corrections and Rehabilitation.

Madam Speaker, the criminologist, Dr. Forde, makes mention that to the extent that the objective [is for] the Cayman Islands [to be] a peaceful and tranquil community, with minimum criminal activities taking place (I am paraphrasing here), there is a need for us to identify the factors which seem to pre-dispose individuals to criminality. She also goes on further to say that in the methodology that is being used, an appropriate study, framework and research methodologies to collect and analyse relevant data should be pursued. She went on further to suggest that it is necessary to construct a profile of the average incarcerated adult offender in the Cayman Islands.

Chapter 4 of the Report, Madam Speaker, gives some useful information in terms of the findings in this regard. It also suggests that there is a need to advise on any strategies and policies that would constitute an effective response to criminogenic factors and—that is a big word!

[Inaudible interjection and laughter]

Hon. George A. McCarthy: And, finally, to document the research findings, analysis, and policy recommendations in the form of a report to the Attorney General of the Cayman Islands, and this is what the Report has done.

Madam Speaker, it is very important for us to look at page 168, but before doing that I will just turn to page 134, which is the Introductory Comments to Chapter 5. It shows the important roles of families in our community because to the extent that there is a breakdown in families. It is to the extent that we have got an escalation in criminal activities, and it is to the extent that we will have individuals incarcerated—able-bodied men and women who otherwise could be making a contribution as productive members of society.

Madam Speaker, when you talk to these individuals—the youngsters at Eagle House, the men in Northward Prison and the women at Fairbanks—they recognise that there is a need for them to be responsible and to act as responsible agents, men and women within society. They want to do this, and they want to be taken to that level, and I do believe that we have got in hand a tool, a mechanism to assist us to assist them to make a difference and change in their lives.

Madam Speaker, Chapter 5 starts out by stating: **“Families are one of the strongest socializing forces in life. Parents, as heads of the household, have a tremendous responsibility to inculcate in their children, from birth, the norms and values they wish them to possess. Parents are to be loving, attentive, accepting of their children and play a pivotal role during the critical years of their development. At the same time[,] parents have the responsibility to guide and direct their children in pro-social behaviours, offer consistent discipline and impart a wide range of positive principles for**

living. During their most impressionable years, parents are duty bound to teach their children honesty, the ability to delay gratification and to control unacceptable behaviour, respect for themselves, and respect for the rights and property of others. In this regard, families are not only the cornerstone of society but parents should be the primary agents of crime prevention. They have the first chance, and indeed the most critical chance, to influence and individual’s patterns of behaviour [. . .] and of course the committing of crime is a behaviour.”

Madam Speaker, that sets out what should be expected of individuals, men and women, functioning in their roles as parents and taking that responsibility seriously.

Madam Speaker, this excerpt is from page 168, bearing in mind the expectations of parental responsibilities that I have just read. This is an interview that was held with an inmate at Northward Prison, in Dr. Forde’s words: **“This inmate, who was first imprisoned at Northward at the age of 16 for offences including burglaries, said that he believed that his use of illegal drugs has influenced his involvement in crime. He has also tested positive for drug use while incarcerated. When asked what he planned to do when he left prison, the inmate, whose girlfriend was pregnant at the time he was interviewed, had this to say:**

“ ‘Change my life in a better way, stop using drugs and be a good father ...better than mine was to me.’

“He is unlikely to achieve any of his above stated objectives without intensive counseling and drug treatment and since the only intervention he is presently getting at Eagle House is drug-related, then the cycle is set to continue. The above account is a powerful example of the fundamental damage that is done when the parenting process goes awry and of how negative family-related experiences can adversely affect the character development and dispositions of the children.”

Madam Speaker, we boast often times as to how affluent we are as a community. We have been blessed tremendously by God, but often times I think our focus is more on the blessings and how much of that we can garner by way of the material things that we are accumulating. Often times as parents, we do not take as seriously as we should our responsibilities, particularly to our children. I think many of us may probably think that yes, we have time and we can do all we want to do, and as long as we put \$5, \$10, \$15, \$20 or \$25 in the hands of our children everything will be well. We can buy them the latest gadgets, we can get them expensive sneakers, we can allow for them to go out and buy clothes, especially the boys who wear the waist of the pants slightly above the knees. I am certainly glad that the Minister of Education has decided that he is going to turn around that mode of

dress and style and it is not going to be a part of the school system.

What is quite interesting, Madam Speaker, is to see parents dropping off their children at school in the mornings in BMWs, Mercedes, high-priced utility vehicles, and these children are heading right across to the Burger King stand and to the fast-food joints and they are walking away with their bags and their tall cup of soft drinks and this is their breakfast. How are they going to get the proteins and the vitamins and whatever is necessary that comes from a stable breakfast or a balanced meal in order for them to function through the day?

Madam Speaker, as I said earlier, I am appealing to the press at large to break this Report up into segments and to make this Report available to the community at large because no one, including myself, can reasonably stand here and point fingers at anyone else out there. When I point one, four of my fingers are pointing back at me, which means that the entire community must become involved in terms of the changed process. We must become agents of change in order to put the present and future generations within this Cayman Islands' community on the straight and narrow path because they are going to be the men and women of tomorrow.

[Pause]

Hon. George A. McCarthy: There is no point for anyone in the Cayman Islands to say, *'Look, I don't have to worry about my child because he or she will not be exposed to the individuals that are incarcerated in Northward.'*

Madam Speaker, the stigma and barriers that were previously associated with this type of incarceration, or what we regard as deviant behaviours, have been broken down. We find today the youngsters are interacting with each other. Going into Northward Prison or going into Eagle House does not preclude those individuals from being accepted by their peers, within society at large and rightfully so. However, what we are hoping is that the peers that have not gone there will be factors of influence on these individuals that are coming out of Eagle House and Northward Prison, and will be agents of change in terms of embracing these individuals and showing them a new way.

All of the agencies in society—our churches, our schools—will have to function as agents of change, in order to change the behavioural pattern of individuals who have put themselves on a path of offending society at large.

Madam Speaker, the contribution by the Portfolio of Internal and External Affairs, after critiquing the Report and looking very carefully at the Report, these are the thoughts of Dr. Pedley on behalf of the Portfolio.

Madam Speaker, Chapter 4 of the Report deals with the criminal profile and Chapter 5 the family

background and I read some excerpts from the introduction of Chapter 5 already.

"1. Chapters 4 and 5 contain the most well thought-out recommendations. Taken together, they underline two very important principles:-

- (a) Early intervention in the lives of those who are "at risk" of becoming offenders.**
- (b) Closer cooperation between all agencies that deal with those who have become involved, or who could become involved, in the criminal justice system.**

"2. In the long run, early intervention is the most efficient and cost-effective way to prevent crime. It takes vision and courage to recognize this and to make the long-term financial investment to see it through. Sustained cooperation between social service agencies and educational authorities which is targeted at the most at risk individuals ought to yield results in the long run.

"3. In a community as small as Cayman it should be possible to identify many of the "at risk" families and the children of such families from a relatively early age. Indeed, many of these individuals are probably known to agencies like Children and Family Services, Counselling services, and the Parenting Programme.

"4. Various suggestions come to mind that could make monitoring "at-risk" individuals more efficient so that the right resources can be targeted toward them. For example, would it be feasible to track such children through a specific "youth at-risk" register? Would documentation of this kind breach human rights? If some kind of register and/or tracking were possible, would it be the appointment of a "Youth Czar" (to use the words of the Chief Justice) make this work more successful? These are not ideas raised by Ms. Forde, but they dovetail with her recommendations.

"5. Two specific recommendations from chapters 4 and 5 have particular merit. Taken together they argue that the road to Northward must have as many exit ramps as possible, while the road away from Northward must be made easier than if it is not to be a circular driveway leading back into prison.

- (a) Cautioning and "diverting" of young offenders . . ."**

And he makes reference to the excerpt on pages 111 through 113 and it is advisable, Madam Speaker, to look at the views as set out on that page.

"Cautioning of young offenders by police is a good idea. However, it requires proper training of police officers, otherwise young offenders may misread cautioning (as undue police pres-

sure) in which case it will be ineffective or even counter-productive. **“Diverting” young offenders will require imagination to design the right menu of alternatives to incarceration,**” which means talk to the individuals that are affected. Do not leave them out of the process. They are the primary stakeholders in this, Madam Speaker. It is the lives of those individuals we want to change.

When I say “talk to the youngsters” I mean not only the juveniles and young offenders that are at Eagle House, we are talking about those at Northward Prison. We see, Madam Speaker, from the age profile that the average age ranges as high as the age of 30, which means that these individuals are still young. They are in the prime of their lives and if they can be turned around every effort must be made to turn these individuals around. This is not something that can be done overnight because no one knows what it is to grow up—or very few people probably in this honourable House will have a sense of what the effects are of growing up in an abusive family.

When you read in terms of the observations of these individuals, I spoke with Dr. Forde, and she told me what came out from the interviews that were held. She said there is one big chap in Northward Prison who gives the impression of being bad and walks around with the [attitude] of: *Yes, I am the man on the block.* When she started talking to this individual he said he has never known what it is to be hugged by his dad in his life. He said he has never been hugged by his mother. There were no words of encouragement in his home when he was growing up, only criticism that was rendered.

Now, this is what this individual was exposed to during his life of growing up. It is not unusual therefore for him to have sought the company, as was said earlier, in terms of those individuals that are involved in the deviant culture. We have to understand that gangs, Madam Speaker, are the families of these individuals. They take the place of the mothers and the fathers and the brothers and sisters that were not there.

Having a big house with a nice widescreen television and being driven in the back of a Mercedes, a BMW or utility vehicle and going to school with probably \$15, \$25 and \$30 in their pockets, none of this is any substitute for being in a family, in a caring environment where the needs of these individuals are being met and they are being encouraged into pro-social, acceptable behaviour. Madam Speaker, it is important for parents to take their responsibilities seriously.

The contribution by Dr. Pedley continues, Madam Speaker:

“(b) Halfway houses and other post-prison forms of assistance that provide a more structured pathway from prison back into the community.”

These are what must be looked at in terms of the investment to be undertaken.

“This may seem expensive, but it is almost certainly cheaper than the cost of the ex-offender being processed again by the criminal justice system and returned to the prison system.”

When these individuals come from Northward Prison, Madam Speaker, I would imagine that there is a sense of not feeling totally accepted within the community at large. These are not the individuals that are probably going to sit down, dressed up in a necktie with full suit, or whatever the case, to look a job. They are probably not going to present themselves in the way the book says that a person seeking to be interviewed should prepare for an interview. It means that there has to be a certain tolerance by prospective employers.

These individuals, if they have been incarcerated for drug habits, may not necessarily change their drug habits overnight. They may miss one or two days at work with an employer who is prepared to take a chance with them by giving them employment. Should they be written off? I would say no. If they were sent to Northward Prison, Madam Speaker, for stealing in order to support their drug habit, it may be that yes, they may look at probably things that do not belong to them and say, *‘This is an opportunity for me to put some money in my pocket in order to support a bad habit.’* Should they be written off? No.

This is why the halfway house facilities that are being suggested here, Madam Speaker, are very important. If these individuals have been brought up in an environment where they were not nurtured as they should and they are put back into that same environment, what will they be doing? They will be courting the same set of norms that caused them to offend in the first instance, culminating in them being sent to Eagle House, Northward Prison or Fairbanks Prison. So, what I am saying is that the entire community at large must recognise that we have got a responsibility.

In the churches we cannot only want to sit by our neighbour who is the ideal man, woman, boy or girl during the course of the week. Yes, it is good to have them there, but we must look to these individuals who have spent something like 3.3 per cent of their time going to church services, hearing the word of God, being exposed to any form of spiritual development. Yes, we must bring them there.

On the occasions when we bring them once or twice and they give their hearts to Christ and then fall away, we must go out and look for them. We must bear in mind the parable that Christ Jesus gave in the Bible, where he talked about the shepherd who left the sheep that were safe and went and looked for that one that went astray. This must have meaning to us as Christian men and women in the society because I do believe that every life that God has created is a life

of significance. It is a life of importance. And for us not to revere and to respect that life, means that we are not showing the respect that we should have for our Creator, God Almighty.

So this is why it is important to recognise that being a Christian man or woman does not necessarily mean looking pious on a daily basis, or going to church every Sunday; it has to be a lifestyle. And we style ourselves as a God-fearing community. That must be translated into action that positively impacts the lives of those, Madam Speaker, that have gone astray.

We are the hands and feet of Christ, and if we are going to be His ambassadors and disciples, we have to expose ourselves to certain risks. We have to bring individuals like those into our homes. We have to talk to them about the word of God. We have to talk to them about the need for them to change their lifestyle. We have to say to them, without condemning them, *'Look, your life is very important. The circumstances in which you have been brought up may not have been the best set of circumstances, but as a living, breathing human being we know that we have got the capacity to change.'* And every one of us can change.

Madam Speaker, if you were to go up to Northward Prison, you would see in terms of the work that is produced that we have got some able carpenters, cabinet makers, and we have seen hairstylists at Fairbanks Prison. A lot of these individuals are very, very gifted.

I have often said that when we consider and reflect on the imagination of these individuals, when you hear of the criminal activities that they became involved with—to the point that this culminated in them being either at Eagle House, Northward Prison or Fairbanks—the activities have been so imaginative that if those same imaginations and thoughts were turned in a positive direction, you would be amazed by the contribution that these individuals would be making to society in a very positive way.

Madam Speaker, Dr. Pedley continues: **“The recommendations made in chapters 1 – 3 [of the Report] . . .”**

And the Report, although quite lengthy, only contains five chapters, and I commented on Chapters 4 and 5 already.

“The recommendations made in chapters 1 - 3 involve a variety of stakeholders, from those who run youth programmes to churches to educators. Many of the suggestions here may prove useful. The key point this writer would make, [Dr. Pedley is talking about himself] is that any new programmes must be designed by the stakeholder agencies who have been working at the coal face of pre-offenders and offenders in order to steer young people into productive lives and away from crime.

“7. The biggest stakeholders, of course, are young people themselves. We must therefore

find ways of asking them what they want and what they think will work. Prescribing youth programmes which worked 10 or 20 years ago will not necessarily lead to success. Usually young people can identify what they need and will describe it frankly . . .”

Madam Speaker, these youngsters are intelligent. Some of them, when you hear them, can analyse their cases so well that often times they can anticipate (especially those that are being held pending trial) what the likely sentence will be. A lot of them know the system and they know the laws and they catch on fast.

“8. Likewise, youth programmes that work in East End will not necessarily work in West Bay. Each community must have a hand in shaping the opportunities needed within that district to steer young people away from crime. There is much here . . . There is much [that] connects here . . .”

Madam Speaker, I think there is something missing from this paragraph and I am trying to connect what has been left out.

“There is much [that] connects here with the eloquent discussion on “community regeneration” at the most recent Governor’s roundtable on youth and crime held on July 1st, 2006.”

Madam Speaker, there are gaps in this sentence here, but the Governor held a retreat at Government House. This, although it did not come across with the clarity that it should, has jogged my mind in terms of what is intended.

The Honourable Chief Justice, the Honourable Attorney General, the Honourable Minister of Education, the Solicitor General, representatives from the Social Services Department, I think the Minister of Health and Human Services and quite a number of persons were there. This meeting was chaired by the Governor to look at the reform initiatives that should be pursued and what was happening in terms of the deviant culture at large in our society.

That meeting took place prior to this Report being made available, but it was a very useful exercise. Madam Speaker, what came out of that was the need for all of the agencies to recognise the importance of working together in order to address the ills within our society and for early intervention.

Madam Speaker, that point came across very well, so much so that the Chief Officer for the Ministry of Education and the Chief Officer for the Ministry of Health, together with Dr. Pedley, were tasked to go away and put their thoughts together to distill the various comments that were shared during that roundtable and come back to the next meeting with their recommendations.

The Speaker: Honourable First Official Member, I think most Members are hungry.

Hon. George A. McCarthy: Yes.

The Speaker: So I will suspend until 2.15, if this is a convenient point for you.

Hon. George A. McCarthy: Madam Speaker, I will finish in two minutes.

The Speaker: Okay, continue then.

Hon. George A. McCarthy: Madam Speaker, Dr. Pedley's comments conclude by stating:

"9. Finally, a number of the recommendations made by Ms. Forde have already been recognized within the plans linked to [The] Alternative Sentencing Law passed by the [Legislative Assembly] in September 2006. [That is the Bill championed by the Honourable Attorney General.] In effect, Ms. Forde's recommendations endorse the basic ethos of that bill: to keep offenders away from prison if at all possible, provided they are not a danger to society. If this study demonstrates anything, it shows that prison is far less likely than the community to steer offenders along a meaningful path of rehabilitation."

Simply put, Madam Speaker, incarceration is not the answer. Rehabilitation is.

Thank you, Madam Speaker.

The Speaker: Proceedings will be suspended until 2.15.

Proceedings suspended at 1.00 pm

Proceedings resumed at 2.32 pm

The Speaker: Proceedings are resumed. Continuation of the debate on Government Motion No.7/06-07. Does any other Member wish to speak?

The Honourable Minister responsible for Health.

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

I rise to give my contribution to this Motion brought by the Honourable Second Official Member, and I want to say congratulations to him. This is an area that has needed to be addressed for quite some time. I must say that after reading Ms. Forde's document, it is at times unsettling but there are certain things in life which will cause that. But because of the great importance of it to the future of these Islands, we must deal with it.

Madam Speaker, I will attempt to read a number of paragraphs from within the document mainly to highlight the concerns which I want to share with the listening public and have them better aware to take on the initiative of trying to help us deal with these difficulties and also bring in some solution.

The first one I am going to refer to, Madam Speaker, is in section 3.20, in which she refers to education and school experiences. She says, ". . .

nevertheless critical to mention the damage that has been done by the lack of support from parent(s)" I want to put that emphasis on parents.

As we go through this Report, that is a theme that comes out ringing loud and clear—the lack of involvement by some of the parents. There are some wonderful parents that stick with their children throughout their education experience, but there are a number of parents that have demitted from giving that support to their children when they need it.

As I continue: **". . . the lack of support from parent(s) to the school and teachers in the latter's effort to address issues involving their child. It can be confidently argued that a number of individuals now in detention at Bonaventure, in prison at Eagle House and at Northward would have travelled a more positive path had the parents [been] actively supportive of the school's attempt to work with their child who was underachieving or displaying delinquency. That said, many parents of children in these circumstances do not wish to take parental responsibility and would much prefer if the "government", in one form or the other, took primary responsibility for raising and correcting their child."**

Madam Speaker, this is a sad indictment on some of these parents. I am hoping that in this tenure of Government, if necessary, we can bring legislation to see that parents are more accountable. Here is a good example: **"One parent, who was called in by an AEP official to discuss matters related to his son, declared "I don't want to hear anything more about this child. He has been removed from high school for gang-related stuff. Let the government send him somewhere because I can't deal with him anymore". This statement sums up well the "you fix him for me" attitude of many parents of delinquent and troubled children, who prefer to relinquish their responsibility so they are not burdened with the demands of proper parenting.**

"Another dimension to the problem of inadequate parental support is reflected in instances where the parents are so irresponsible themselves that they actually support their child in wrong doing instead of encouraging the child to take responsibility for his actions."

Madam Speaker, I have heard of this happening more than once, when something happens within the school system especially, and the parents are called and they want to blame the school system.

"The parent(s) thus enables the negative behaviour while undermining the authority of the school official(s), to the extent that the child in fact feels empowered in his misbehaviour."

At section 3.23, **"The truth is that the home environment of delinquent children is usually one which lacks educational tools and support practices such as reading and homework supervision . . . There is no one in the home setting who institutes and enforces rules. It is an environment de-**

void of structure, order, and standards. Students of such homes exhibit serious behavioural problems cultivated over years of negative socialization. Subsequently, the burden falls on the school”

Parents, Madam Speaker, from what I have seen, are expecting the teachers to do what they should be doing at home, as was alluded to earlier by one of the speakers. [Parents should] discipline that child at home and make sure that he knows a certain standard [of behaviour] when he goes out into the public.

“Many inmates gave information during their interviews that clearly suggested that they were engaging in delinquent behaviour during their school years and that their criminal careers in fact began quite early. As the graph . . . shows [on page 48] 2/3 of the inmates who attended middle school were either expelled or suspended, more often than not for drug use and/or fighting.”

So, Madam Speaker, it is evident that some of these delinquent traits have started early.

Moving on to section 3.28, Madam Speaker, it refers to [how] certain “Behaviour described under the broad rubric of indiscipline is very often a reflection of deeper, unarticulated issues with which the child is grappling. What a child might, [and this is a sad situation, Madam Speaker, when this happens] in effect, be displaying is “acting out” behaviour, and there is no amount of withdrawal, detention, suspension and expulsion that could, for example, address parental rejection, parental neglect, parental separation and the psychological trauma that these experiences have on a child. Secondly, there are pupils who have actual behavioural disorders such as Attention Deficit Disorder, Attention Deficit with Hyperactivity, Intermittent Explosive Disorder, Conduct disorder and a range of other psychological disorders. Some also have mental health needs, some have substance abuse needs and in the absence of a treatment approach, the school regime could very well, [and this is unfortunate when this happens, this is the importance, and I know that the Minister is now addressing having the people there that can identify, at an earlier stage, those children with a problem] the school regime could very well be punishing students who in fact need help.

“It should also be noted that in the middle and high schools, authorities are managing persons who are at a critical developmental stage—adolescence—when there are major hormonal changes.”

And this is an interesting idea that has been introduced by Ms. Forde. “Such changes can often act as “triggers” and for those who are predisposed to psychological and psychiatric disorders, disturbing behaviours can come to the fore. What is therefore needed,” and as I alluded to earlier, I know the Minister is looking at this in beefing up this

area, “is a cadre of professionals who can identify and evaluate the problematic conduct and develop individual plans that systematically address the specific issues involved. Anything short of this is a superficial, band-aid approach which is not effective, and which allows these behaviours to pass from one institution to the other until the individual arrives at the prison gate,” which, Madam Speaker, is then too late for any hope of rehabilitation.

[pause]

Hon. Anthony S. Eden: I found it interesting in her contribution on page 58 when she referred to the: “. . . establishment of Cayman’s own design of a Finishing School so that many broad-based life skills can be taught and values imparted, and whether a student is academically weak or strong, he/she can leave such an institution capable of becoming a responsible, well-adjusted adult. It is a consideration that such an initiative could be funded by the private sector assuming that collectively they would want to play their part in national criminality reduction efforts in the society in which they reside and have established lucrative businesses. No better way of doing this than by reducing the number of individuals who are at increased risk of criminal involvement because of negative school experiences. Moreover, the private sector, as employers, would be the primary beneficiary of this expanded pool of refined local talent. Cayman’s Finishing School would be a first in the Caribbean and a tremendous asset in building human capital in this society.

“Fourthly, parents’ involvement in a child’s learning and school life is critical but one which falls outside of the strict purview of school authorities to control and influence. Strategies must nevertheless be developed to achieve this goal. Lack of co-operation between parent and school tends to be bound up in the wider problem of irresponsible parenting and family dysfunction, matters that will be addressed [later] . . . The concept of “parental neglect” also needs to be re-defined in law so it can be construed more widely. Enforcement of what relevant laws do exist is also an issue. For example, the law makes provision for a financial penalty to be imposed on a parent for his/her child’s truancy. However, one Magistrate indicated that, for [whatever] reason, such cases are never brought before her and, given the percentage of children not graduating from the John Gray High school, school attendance must be an issue. Is the fact that there is only one truancy officer for the whole island a factor?” This may have subsequently changed since the Report.

“Fifthly, there needs to be a more proactive approach to crime prevention in the Cayman Islands.” This is on page 60. “One area in which there can be early intervention is in the schools

because, as the above discussion shows, authorities in these institutions – the teachers, guidance counselors, senior tutors, etc – are all well-positioned to see [and make that first observation], in its embryonic stage, the behaviour that later mushroom[s] into a full-fledged criminal career.” Madam Speaker, this is not nuclear scientist stuff. “Many teachers would confirm that they could have identified those students who were prison-bound because all the behavioural signs were on display in the school setting. In this regard, we must acknowledge that schools have a huge role to play in the crime preventive process. Everything must be done at this early stage to prevent the full flourishing of such conduct. What is therefore recommended is a well-designed behavioural modification program for at-risk youth and their parent(s).”

Page 61, Madam Speaker, refers to a “sample of responses shown in paragraph 3.26 [which] reflects a considerable amount of juvenile delinquency and academic indifference during the school years of these offenders and since they are incarcerated today, it is suggestive of the early development of criminal conduct – aggression, drug use, etc – which has continued unabated. However, before repeated punishments and ultimately expulsion, are meted out for perpetual misconduct, the causes should be investigated. When special needs are identified, cognitive or behavioural, the focus must be on supporting these children and addressing their problems. These are the children who are at the greatest risk of future criminal involvement and since suspending them or expelling them does not mean banishing them from the Cayman Islands society, then it is important to recognize the fact that they remain with us and become our thieves, our rapists, our drug dealers, our murderers.”

When you read it in this context, Madam Speaker, it is a very sobering thought. “**They are not going anywhere. Even when they are imprisoned, it is usually only for a time. They return. They stay within the limited confines of this island and become the criminal element that places us and our families at risk.**”

Madam Speaker, these are sobering thoughts.

One of the interesting paragraphs is 4.3, on page 64, which should debunk much of the philosophies and ideas held in the Cayman Islands when we look at the nationality of these inmates at Northward Prison. It specifically says Jamaicans are not predominant in the prison population in the Cayman Islands. Of the 181 men at Northward at the time that this study was done, 77 per cent were our Caymanians.

The other scary thing [is that] all persons incarcerated at the Eagle House—which is for the young offenders—were Caymanians.

Madam Speaker, this study, throughout its different paragraphs, has certainly been an eye opener for all of us as legislators.

On page 82 it indicates that, “**The data [collected] clearly suggests that as many as 88% of those presently incarcerated had been before the juvenile and youth court in Grand Cayman on criminal charges. More bad news is reflected in the ages at which these men appeared before the courts as children (see Table 4H) . . . Fifty six per cent (56%) had been before juvenile/youth court by age 14, as the cumulative percentage column in the Table below shows,**” which reflects on that same paragraph 4H.

Madam Speaker, as others have touched on in their debate, on page 97 it refers to “Problems associated with the Management of Released Prisoners”, which is section 4.36.

“**Almost ¾ of all the men released from Northward and Eagle House return to prison having committed offences of sufficient gravity to warrant a custodial sentence...again. This disturbing level of re-offending and re-imprisonment confirms the absence of appropriate programming and management strategies for released prisoners. First of all, those who are released from Northward at their “Earliest Date of Release” (EDR) and those who are released at their “Latest Date of Release” (LDR) receive no supervision and support whatsoever. Those who are paroled are usually inadequately managed by an overburdened and understaffed Probation Aftercare Unit. Under these circumstances, it would be unreasonable to expect a reduction in recidivism.**”

I am sure after reading these recommendations, the Honourable Attorney General, under his leadership, that of the Chief Justice, that of Cabinet and all involved, in trying to make a difference has now created a task force to look at this.

Under my responsibility, at the present time, I would just like to make a few comments on the Probation Aftercare Unit. Since July of this year various reviews and plans are in the process of being implemented within the Probation Aftercare Unit. Approval has been given for this unit to be transformed to a department.

As a result, restructuring and enhancement of services are being taken into consideration. A major concern relating to insufficient staffing, which I just alluded to in Ms. Forde’s report, is now being addressed. Also for more efficient and effective services and supervision to offenders in the community, teams have been formed to allow for probation officers to place specific focus on a particular group of clientele.

The two teams consist of, one, The Court Team. Madam Speaker, this team is responsible for the daily involvement with the Court and the supervision of persons on community-based court orders. The existing staffing is five probation officers and two community service coordinators.

The other team is what is known as the "Parole Team". This team is responsible for the involvement of the parole board and prison and the supervision of persons in the community on parole. The existing staffing is two probation officers.

In addition to the existing probation officers, recruitment is on the way for a second senior probation officer and two probation officers. Further to this, additional staffing is also being included in the 2007/8 Budget.

[Pause]

Hon. Anthony S. Eden: Relating to Intensive Supervision Programs (ISPs), in conjunction with the increase in staffing effectiveness and efficiency of programmes are also being reviewed within the Probation Aftercare Unit. However, the effectiveness of supervision of offenders are based on a combination of:

- (1) a holistic approach involving various agencies to best meet the client's need; and
- (2) the clients level of motivation and determination to terminate the offending behaviours and improve his or her overall way of life.

With the Probation Aftercare Unit only responsible for the supervision of persons 17 and older, it is imperative that preventative, educational and rehabilitative efforts are made by various agencies and community programmes working with young persons and their families.

Consideration must be given to the intervention offered in the community by various agencies prior to incarceration. However, as within the community, it is important that inmates received structured and effective programmes and intervention to address the diverse reasons for their offending. In addition to the services provided, again, the effectiveness would depend on the inmate.

Madam Speaker, no matter what programmes we put in place, there has to be within that inmate the want and the desire to make a difference within himself and his family.

As previously indicated, it is important that a holistic approach is taken with regards to the services offered within the prison. Therefore the Probation Aftercare Unit recognises the importance of maintaining a close working relationship with the Prison Services.

Page 126 relates to "Post-release Program for Ex-prisoners". It is indicated that this section is the importance of adequate staffing within the Probation Aftercare Unit which has been addressed above. However, it is important to recognise that not all ex-prisoners are referred or supervised under the Probation Aftercare Unit. At present, persons supervised under the Probation Aftercare Unit are only those released from prison on parole.

This, at present, therefore poses a gap in the system that requires addressing. However, in the past, persons released from prison on early release were followed up on in the community by the prison authority as the release was based on their discretion.

It is anticipated that implementation of sentencing planning within the prison will start to address matters relating to post-release programmes and suitability for release.

[Pause]

Hon. Anthony S. Eden: Madam Speaker, also falling under my responsibility as Minister of Health and Human Services, I would just like to give a brief overview of some of the areas within the Ministry.

Under the auspices of Children and Family Services, strategies have put in place and are now going towards helping address these difficulties. The first one I will talk about is the Young Parents Programme (YPP), which we are all quite familiar with.

The main objectives of this programme are to teach teenage parents how to bond with and care for their child while continuing to receive academic and vocational education. All efforts are made through working in close collaboration with the Education Department to return the young mother to school if she is of school-leaving age.

While the programme is open to fathers, we have not been very successful in getting the babies' fathers to attend. A few fathers, and grandfather, have attended counselling sessions in the evening. However, the barriers which we are aware of are usually the fathers are older men, sometimes married, and teenage mothers will not disclose who the baby's father is.

Madam Speaker, this programme is now about 12 years old and will be reviewed shortly. The programme has been quite effective. Many of the young women who have attended have either returned to mainstream education or are working, and one participant I know currently is, as a matter of fact, attending university in Canada. I am very proud and I have talked with her. This is an example of when we genuinely put an effort into trying to help our young people, what the results can be.

From our observations, it has been those students who have dropped out of the programme who have had repeat pregnancies and experienced difficulty in finding and remaining in employment. Some of [them] are served by our Support Towards Autonomy, Retraining and Self-Sufficiency (STARSS) programme, aimed at adults. The review of this programme will inform the Department in regard to what enhancements or adjustments need to be made to the programme.

We considered the fact that the programme is not compulsory for girls who become pregnant in school to be a barrier. Based on the details of the

crime study, the task force may want to recommend this to the Ministry of Education.

The National Parenting Programme (NPP), which received quite a bit of publicity over the earlier part of this year and last year, is principally aimed at addressing parenting among older persons and was established one year ago. It has a very broad remit, with numerous objectives.

The parenting educator recently recruited has informed me that he will be targeting the fathers of the babies of the teenage mothers who participate in the Young Parents Programme. As I alluded to earlier, getting the fathers in was not an easy task.

So far, facilitators have conducted parenting programmes Island-wide and with the inmates at Eagle House and Northward Prison. The National Parenting Programme will continue to tackle parenting Island-wide, and is currently involved in a child-protection initiative with parents, pre-school educators, teachers and school children. This programme is complimentary to all of the Department's other family interventions and it is our intention to have it court mandated for delinquent parents through The Children's Law, 2003 Regulations.

Another area in which the Department of Children and Family Services has had success is through the summer programmes, which is in an effort to divert school-aged children from deviant behaviour during the long summer break. The Department initiated a summer programme in each district in the late 1990's. There was a break in this programme for a few years due to the removal of the Community Development unit from the Department. With the return of the latter last year, the summer programme was reintroduced this summer with an overwhelming response.

Hundreds of children attend this programme, and it is our intention to continue it. Our programme is intentionally run during the last few weeks of the summer holiday since most of the churches and sporting groups run their programmes earlier in the summer. The Department also purchases spaces for needy children in a variety of summer camps early in the summer.

Since the inception of this programme and the growing number of summer programmes Island wide, the Department has received less complaints of delinquent behaviour during the summer break.

Youth Programmes

Madam Speaker, a number of youth programmes have been developed and run by the Community Development Officers, in conjunction with the churches and other non-government organisations in each district. These ceased with the removal of the unit from the Department. Once a coordinator is in place some consideration will be given to developing such programmes at the district level once more.

School Lunch Programme

This is a vibrant school feeding programme which addressed the nutrition needs of indigent children in the school system. Stringent criteria is laid down and adhered to by the Department of Children and Family Services as there is the tendency by parents to abuse this programme.

Pressure is brought to bear on parents to provide lunches for their children, and the policy of the Department of Children and Family Services is to provide lunch and breakfast, in some instances, for some of the children from a family but not all. I know the Honourable First Official Member alluded to seeing some of the children as the parents let them off at school, going across and getting soft drinks and other stuff. I am looking forward to the day when we can actually ban soft drinks and some of the non-nutritious foods in the schools.

Children are not granted school lunch for an indefinite period as parents are periodically assessed. Some NGOs (non-governmental organisations) also pay for a small number of school lunches at particular schools.

School Uniforms and School Supplies Programme

Where the need is proven school uniforms and school supplies are provided for school aged children. This programme is supported by various businesses and NGOs each year.

In the continuation, Madam Speaker, of some comments that I was provided with from the Director of Children and Family Services, I will now speak to that.

In reading the consultant, Ms. Forde's "Report on Pre-Disposing Factors to Criminality in the Cayman Islands", her findings, as I said Madam Speaker, are worrying. I have taken note of her various recommendations and I sincerely hope that it is the will of my colleagues in the honourable House to support whatever plan of action the task force, appointed by the Honourable Attorney General, Second Official Member, comes up with.

It may mean allocating considerable funds to the review of existing programmes, the development of new interventions or the construction of additional facilities in which to house specific intervention programmes. Whatever the case may be, it is imperative that it has the full support of this honourable House.

The office of the Attorney General is interested in devising and implementing meaningful crime prevention strategies as I alluded to earlier. This cannot be accomplished unless all the relevant Departments—such as the Education Department, Department of Children and Family Services, the Department of Counselling Services, the Health Services, the Prisons, the Legal Department, the non-governmental organisations, in particular our churches and service

clubs—need to be fully involved and committed to the cause of helping our youth.

All of the above are already involved, but this study by Ms. Forde forces us to take a critical look at what each agency is doing with a view to enhancing programmes and services and making changes where necessary. In doing so, it is important for us to review past studies such as (which I know you are familiar with, Madam Speaker) Dr. Eleanor Wint's Study of the Family in Caymanian Society 1997; the Commission of Inquiry into Youth Violence, which I think, Madam Speaker, was commissioned while you were a member of Cabinet; the Youth Policy; and not least of all, Vision 2008. Many of these things were from way back then in 1998, and it was the largest accumulation that I can remember of private sector and government personnel coming together to look at and chart the future of these Islands.

All of the reports contain pertinent information and recommendations with respect to the subject under discussion. I know that the Honourable Second Official Member will ensure that in the discussions taking place that these will be looked at.

In my humble opinion, there must be an overarching philosophy and the approach must be an integrated one if we hope to succeed. We have tried in the past, with all good will, to make a difference. Madam Speaker, there has not been a whole lot of success as comes out in Ms. Forde's presentation. The recidivism, the repeat offenders, we have to stop that cycle. We have to break that circle.

Without intentionally repeating various parts of the Report, I assume all of the Members of this House have already read. I wish to reiterate the importance of everyone involved understanding the causes of crime as this will go a fair way in helping to determine and develop interventions. The criminologist went to great lengths to examine the offenders' personal experiences. While seeking to identify those factors which predispose them to criminal behaviour, it is clear from her findings that insufficient focus has been placed on proactive measures to address criminality.

It is of great concern to me, Madam Speaker, as I said earlier, that 73 per cent—almost three quarters, of our inmates—re-offend. This goes to show that the effect hoped for through incarceration, as alluded to by the First Official Member, is not achieved. It also demonstrates that incarceration is hardly deterrent or rehabilitative as expressed by Ms. Forde. The onus is on our Islands therefore to focus attention on preventative measures which are in the best interest of our children and youth.

In building a profile of the inmates Ms. Forde noted that a number of features had emerged in the data which are a part of the profile of the average imprisoned offender here in the Cayman Islands. It is also noteworthy, Madam Speaker, that she examined the extent to which inmates were involved in structured, wholesome group-based activities prior to imprisonment, the nature of the group activities and the

way in which they spent their spare time before imprisonment.

A startling 66 per cent of the inmates interviewed had no memberships of any type of social organisation or association during the two years prior to being in jail. This concerns me, Madam Speaker, as it is a well-known fact that lack of involvement in such activities has been cited by many researchers as a cause of delinquency and that those involved are less likely to become delinquent.

Over the years our teachers have complained that a fairly large sector of the school population at the secondary level showed no interest in participating in many of the school clubs. We often express that it is mainly those students who need it most that do not attend. And how often have we seen this as we as parents in the past have gone to a Parent Teacher Association meeting or Home School Association (or whatever they call it now)? They often express that it is mainly those students who need it most that do not attend. So true. So true.

Some educators are of the view, Madam Speaker, that joining at least one club at school should be mandatory. There is some merit to this argument as such initiatives could very well be carried over into later life. Such organisations, as pointed out by Ms. Forde, have rules and regulations which imply discipline and adherence to fixed principles. Concerted efforts therefore need to be made to get our school children and youth involved in clubs and associations with positive and meaningful mandates.

I gather from the study that many young persons engage more in peer association than attending such clubs, and we are all aware that where peer influence is not positive—which is usually the case—deviant behaviour is the outcome.

It was surprising to learn from the study that church youth groups are mainly attracting a certain age group, and where older youth are attending they are in some instances not benefitting from the experience. It was quoted in one of her interviews that one of the children that was interviewed said that the parent would drop them off at one of these church meetings and they would not even wait long enough to see that the child got inside. How sad.

Madam Speaker, our churches may also need to re-examine their youth programmes with a view to restructuring them so that they will have the desired effect. We also need to pay attention to the remarks of youth workers captured by the criminologist regarding lack of parental involvement, which I have said so many times this afternoon, in support of their children's involvement in faith-based activities. I will come back to this in my winding up shortly.

Ms. Forde makes the point that communities can promote healthy behaviours by communicating healthy beliefs and clear standards of behaviour to young people. Youth, she says, must have opportunities for active participation in the family, school and community if they are to acquire skills to succeed.

The departments for which I am responsible are already making invaluable contributions in this regard, but it is my expectation that the Crime Task Force will call for an inventory of their services which is wonderful so we are all on the same page, Madam Speaker, and where possible a review of their effectiveness.

It is incumbent also for every adult citizen in these Islands, every government department, private-sector company or NGO, including churches and service clubs, to think about what they are doing now or how they can contribute in the future to fulfill this objective.

I agree with Ms. Forde's assertion that our children and youth need to be validated for their efforts and accomplishments. Too often, Madam Speaker, some of them excel and do so wonderful and all we hear is the handful that does not make the grade at times. We have to praise our youngsters. We have some wonderful, wonderful ones. While several private sector agencies and NGOs are already active in this regard, there is still some scope for the development of such schemes.

In the area of community development, efforts are now being made to re-establish the Community Development unit in the Department of Children and Family Services which will work in partnership with CODACs (Community Development Action Committees) in each district. I encourage legislators from all the districts to take a look at activating and working with those CODACs because the Ministry does provide funds . . . I think I moved it from \$5,000 to \$7,500 a year, which will go toward helping them put in programmes and for tidying over some of their expenses.

These CODACs are well on the way to establishing programmes to empower and enable their communities. Embodied in these programmes would certainly be the promotion of healthy behaviours at the community level, as well as healthy beliefs and standards of behaviour which our youth can emulate.

As I touched on earlier, poor school performance was cited by Ms. Forde as a significant risk factor with respect to delinquency and offending both during and after school had ended.

Madam Speaker, there is much being done in education to address deficiency mentioned in the 2005 education report, and I salute my colleague, the Minister of Education, for the wonderful undertakings, the initiatives, the vim and valour in which he is approaching this. We all must support this because throughout the theme in Ms. Forde's presentation, it comes out loud and clear the lack of some of these with education, the providing of the services to pick up when there are some failings, some problems with our youth, and I look forward to that day when all of this will be in place. It is not going to happen overnight, it is going to take a while. But if we do not sow those seeds now, it is going to be a sad day for these Islands. But I am very optimistic.

As I say that, I just want to read a quick quote from Preston Bradley. It says, **"I've never met a person, I don't care what his condition, in whom I could not see possibilities. I don't care how much a man may consider himself a failure, I believe in him, for he can change the thing that is wrong in his life any time he is ready and prepared to do it. Whenever he develops the desire, he can take away from his life the thing that is defeating it. The capacity for reformation and change lies within."**

A proactive response is being taken by the Minister of Education, as I alluded to earlier on, to address the Special Needs programmes, the curriculum, the review, the provision of vocational and technical education, to name but a few of the areas of concern that are being focused on now. Of course, we cannot afford to forget the recurring theme of parental involvement throughout. Apart from the efforts of the various agencies parents must become involved. They must become involved in every aspect of their children's lives if significant change is to come about in their behaviour. Madam Speaker, we can spend the entire budget on providing services external to the home, but I am convinced without that parental support for the young children it will not have the desired effect that will make a big difference.

To support this, the Department of Children and Family Services is proposing to amend The Children Law, 2003, so that the Department can mandate parents to participate in parenting education classes so that they can parent their children responsibly. This is the desired outcome. It would be best if parents would voluntarily attend, but this has not been the case in the past on the part of many parents whose children are at risk and who run afoul of the law.

It is also the intention of the Department to mandate other therapeutic interventions with consultation which it considers would be helpful to parents.

Issues surrounding child protection were also mentioned in the Report. My colleagues and I well know that issues of neglect and child abuse, in their many forms, are all predisposing factors to criminality. In this regard, several recent initiatives undertaken by various agencies have highlighted the need to address child protection issues. They have also gone so far as to develop preventative programmes and protocols to address the issues of child abuse.

These initiatives, Madam Speaker, include the report on the Convention on the Rights of the Child in the Cayman Islands and the review of current programmes as a part of the vulnerability assessment being carried out in all overseas territories by the Foreign and Commonwealth Office (FCO).

By way of coincidence, Hedge Funds Care, a private sector organisation, has partnered with the Crisis Centre, CAYS Foundation, the National Gallery and the Department of Children and Family Services, to address the issues of child abuse and neglect.

Madam Speaker, there are other programmes in various departments which are already addressing

pre-disposing factors to crime, as I said earlier. We will embark on a review of these programmes bearing in mind the findings of this crime report and other relevant studies.

Finally, in closing Madam Speaker, with your permission I would like to read and also table a report before the House Judiciary Committee which had the hearings on the Columbine High School. This will take you back and my colleagues here will know my religious side of looking at things. It comes through prominently in this report: religion and God.

I will quote: **“This old world is clouded in tragedies. The [W]orld [T]rade [C]enter, and there was Katrina, and Rita, [and here in Cayman, Madam Speaker, we had Ivan] and many other disasters that overshadow memories and perspectives. Sadly, one of the biggest tragedies that is overlooked in recent years is the Columbine high school massacre. And, quite frankly, our own perspectives are tainted by viewpoints that are a news media that has [its] own agenda.**

“Perhaps not planned on by the news media were the words of Darrel [I] Scott, father of Columbine victim Rachel Scott, who testified before the House Judiciary subcommittee. What he said to our national leaders during this special session of Congress was painfully truthful. They were not prepared for what he was to say, nor was it received well. It needs to be heard by every parent, every teacher, every politician, every sociologist, every psychologist, and every so-called expert [and social engineer]!

“These courageous words spoken by Darrell Scott are powerful, penetrating, and deeply personal. There is no doubt that God sent this man as a voice crying in the wilderness.”

I will now read his testimony to the Committee on the death of his daughter Rachel.

“Since the dawn of creation there has been both good [and] evil in the hearts of men and women. We all contain the seeds of kindness or the seeds of violence. The death of my wonderful daughter, Rachel Joy Scott, and the deaths of that heroic teacher, and the other eleven children who died must not be in vain.

“Their blood cries out for answers. The first recorded act of violence was when Cain slew his brother Abel out in the field. The villain was not the club he used[.] Neither was it the NCA, the National Club Association. The true killer was Cain, and the reason for the murder could only be found in Cain’s heart.

“In the days that followed the Columbine tragedy, I was amazed at how quickly fingers began to be pointed at groups such as the NRA. I am not a member of the NRA. I am not a hunter. I do not even own a gun. I am not here to represent or defend the NRA – because I don’t believe that they are responsible for my daughter’s death. Therefore I do not believe that they need to be de-

fended. If I believed they had anything to do with Rachel’s murder I would be their strongest opponent.

“I am here today to declare that Columbine was not just a tragedy – it was a spiritual event that should be forcing us to look at where the real blame lies! Much of the blame lies here in this room. [And that was the Senate Judiciary Committee]: Much of the blame lies behind the pointing fingers of the accusers themselves. I wrote a poem just four nights ago that expresses my feelings best. This was written way before I knew I would be speaking here today:’ [At the Committee hearing.]

“Your laws ignore our deepest needs, Your words are empty air. You’ve stripped away our heritage, You’ve outlawed simple prayer. Now gunshots fill our classrooms, And precious children die. [And they continue to die, Madam Speaker, sadly as you have seen in recent times in the States.] You seek for answers everywhere, And ask the question ‘Why?’ You regulate restrictive laws, Through legislative creed. And yet you fail to understand, That God is what we need!

“Men and women are three-part beings. We all consist of body, soul, and spirit. When we refuse to acknowledge a third part of our make-up, we create a void that allows evil, prejudice and hatred to rush in and wreak havoc. Spiritual presences were present within our educational systems for most of our nation’s history. [Referring to the United States for those that may be listening to this at a later time. Thank God we are blessed that we still have that preserved here, and I hope with the help of God that no human rights or any other situation will take that away from these Cayman Islands!] Many of our major colleges began as theological seminaries. This is a historical fact. What has happened to us as a nation? We have refused to honor God, and in so doing, we open the doors to hatred and violence. And when something as terrible as Columbine’s tragedy occurs – politicians immediately look for a scapegoat such as the NRA. [The National Rifle Association.]

“They immediately seek to pass more restrictive laws that contribute to erode away our personal and private liberties. We do not need more restrictive laws. Eric and Dylan would not have been stopped by metal detectors. No amount of gun laws can stop someone who spends months planning this type of massacre. The real villain lies within our own hearts. As my son Craig lay under that table in the school library and saw his two friends murdered before his very eyes, he did not hesitate to pray in school. I defy any law or politician to deny him that right!

“I challenge every young person in America [And I will also refer as I am speaking now in the Cayman Islands]: and around the world, to realize that on April 20, 1999, at Columbine High School

prayer was brought back to our schools. Do not let the many prayers offered by those students be in vain. Dare to move into the new millennium with a sacred disregard for legislation that violates your God-given right to communicate with Him. To those of you who would point your finger at the NRA – I give to you a sincere challenge. Dare to examine your own heart before casting the first stone! My daughter's death will not be in vain! The young people of this country [and our Islands]: will not allow that to happen!"

Madam Speaker, I may have become impassioned toward the end there, but we must make sure as legislators that some of the rights that we now enjoy are not ever taken away from us in the name of human rights. I know that under the certain regulations put in place for accountability between the Cayman Islands and London we have to adhere to some of their requirements, but we must walk on glass bottle when we are looking at these things.

There is no doubt in my mind that if we continue to adhere to the old Cayman custom of being accountable for our children—and I know I may be at variance with some of my colleagues here and I have said this before—it is time for that village to stop raising our children. It is time for the parents to take that responsibility. When you trust your children to be raised by that village, you be careful what some of those villagers will give your children to drink, to smoke and to inhale.

It is our God-given responsibility to deal with our children and it can be a wonderful blessing. It is the greatest investment any of us as parents can take by spending that time with our children, knowing where they are, knowing who they are keeping company with. It may be harsh in this day and age when so much liberalism is going on, but, Madam Speaker, I can speak from experience, thank God up to this point, it is worth it. You get those children over a certain stage, and invariably some will stray, but it is worth it.

I pray to the parents out there that are listening that as we go forward with the programmes that we put in place – as I said, no matter how much the Honourable Attorney General, the Second Elected Member, and we as legislators put in place – we have to walk down this road path hand-in-hand with parents, with organisations, with businesses. These are our Cayman Islands. We can make a difference but we can only do it together.

Thank you.

An Hon. Member: Good speech.

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

The Fourth Elected Member for the district of George Town.

Mr. W. Alfonso Wright: Thank you, Madam Speaker. I too rise to express my support for this Government Motion, Pre-Disposing Factors to Criminality in the Cayman Islands.

Madam Speaker, the Second Official Member and his team should be commended for commissioning this Report. The things contained herein are things that we have all talked about. The statistics are probably the only things that are new to us. Many of these things are things that we have acknowledged, that we have seen, maybe we have been afraid of accepting them; but many are things we all have been faced with at one point or another. What is good here is that finally it is in a document that we can all refer to.

The Third Elected Member for Bodden Town and I were discussing earlier on about what a really magnificent Report this is. Factual – it is done in really simple terms. Everyone can understand it; it is nice and easy reading. So it lends a lot of credibility, Madam Speaker, to those who prepared it that they must have known exactly what they were doing and the desired results.

Madam Speaker, there has been a lot of talk about involvement in organisations; a lot of reference was made to service clubs. That, for me, is a very good place to start. I can firsthand relate to the positive contributions that service clubs make to our community, not just what they do for underprivileged people, not just what they do for communities, Madam Speaker, but the important role they play in the development of many of our citizens.

Madam Speaker, I had an average upbringing. My mother was a very strong disciplinarian. For most of my young life I really lived in fear of what my mother would do to me if I was caught doing wrong. There were times I was caught doing wrong and I paid the price. So I understood from an early age what would happen if I strayed. But I had the privilege of being adopted by another family of (at the time) mostly men who were stalwarts in our community, men of very high moral standards. A lot of these individuals may not have been college graduates, but they were from that old school of the old Caymanian upbringing, and those qualities were what they were able to teach me.

So, Madam Speaker, like I was scared to do anything that would upset my mother or disappoint her, I also got that same feeling, that same commitment, with the members of the organisation that I was a part of. My life had to be kept in a certain way for these individuals who had assisted me, and I would also do nothing that would embarrass them or that would make them disappointed in me.

It does not have to be the organisation that I am a part of. There are many worthwhile organisations out there that can give a lot of positive direction. Madam Speaker, there are many of us here who are involved in service clubs or other organisations. Our Minister of Education has spent a lot of his young life

involved in service clubs. First he was a member of Rotaract and he has had his time in Cubs and Boy Scouts. But he was a member of a Rotaract Club many years ago before he came over to Lion's.

The Third Elected Member for Bodden Town, our Leader of Government Business . . . our Chief Secretary is not here right now, but at one point he was also a member of the Lion's Club of Grand Cayman. Is there anything that we see wrong with these individuals? I encourage every individual who has the opportunity to get involved.

[Pause]

Mr. W. Alfonso Wright: I am 46 years old . . . well, I only make mention of that to say that at 46 I have 31 years of service club experience behind me, and again, I am not saying that everybody needs to start at age 15. However, had I not started at age 15, Madam Speaker, only God knows where I may have ended up today. So 15 is not too young to start. There are a lot of other organisations—Girl Guides and Scouts just for reference—who are able to take individuals much younger. Those organisations, for whatever the reason is, do not seem to be having a lot of luck any more in recruiting youngsters.

Madam Speaker, a part of my plea today will be for us to find some way to encourage our young citizens; to encourage our young people; to encourage the individuals who are going to be involved in finding the solutions that this document has identified; to encourage people from all of those areas to be involved in this process. This is not just a problem for parliamentarians. This is not just the Attorney General's problem. This is a problem for our entire country. I daresay that it is not just a Caymanian problem either, but the Caymanian one is the one that we have to fix immediately. Maybe by the grace of God we can help our neighbours somewhere if we can find a way to improve our plight.

So, Madam Speaker, I am going to say here and now the last Resolve of this Motion said, **“AND BE IT FURTHER RESOLVED THAT the Legislative Assembly hereby authorizes the establishing of a multi-agency Task Force comprising of representatives from all the relevant Ministries and Portfolios as well as non-government organizations impacted by the Report to be tasked with formulating plans to implement the recommendations contained in the abovementioned Report.”**

Madam Speaker, we are not going to find an overnight fix for this problem so I would caution everyone involved to try to wrap this up in a short while but to take our time; this problem has not all come about in the last six months. This is our time to get this right so we need to take our time and work this the right way.

Madam Speaker, I am going to recommend that we extend the approach that has been recommended here to these organisations that we have re-

ferred to: Ministries and Portfolios; all of our non-government organisations; institutions or groupings, for instance, the Cayman Islands Law Society, the Bar Association, our Professional Accountants, the Human Resource Association.

I am going to recommend that we come up with a term of reference and we charge each and every one of them to set up their own task force and let them attempt to deal with the problem. Let us find out what their answers would be from their point of view. They are all affected by this problem and rather than us dealing with it with a selected number of individuals from our community, we try and involve our entire country so we get many different perspectives. Also, it ensures that everyone in the Cayman Islands will be aware of this problem and would have the opportunity to have input on the solution.

We set that up in a way, Madam Speaker, that we expect them to, at the end of whatever terms of reference we set up, then report back to a main committee of some sort who at that time will then look at those reports. Just like the Attorney General has suggested, that main committee at that point then does what they have to do, but they would have the benefit of all these other suggestions or viewpoints from our community. The churches should be included in this as well.

We have to tackle this on an Island-wide basis. Everybody must understand the significance—the Chamber of Commerce, of course—every possible avenue that we can get help from, Madam Speaker, we have to tackle this as an entire country. This effort must be something similar to that of Vision 2008, that sort of mobilisation of the country. This is a major problem. A major problem! We have to get this right.

When the time comes for enforcing whatever decision is made, Madam Speaker, everybody must know, everybody must be aware of how we got there and what their role is. Every time something happens nowadays we are able to somehow refer to, ‘*Oh, yes, we discussed that in Vision 2008*’. And that is the kind of result that I want us to get with this.

Madam Speaker, the family unit as we know it is not what it used to be years ago. We talk a lot about the days of old when the fathers were off to sea and the women were the head of the household. We will forever be grateful for the good job that our female citizens have done with bringing our country as far as we have today. I do not think any of us will ever forget that.

Madam Speaker, there are things in that era of our life that I believe some of us have somehow taken for granted and it is still the involvement. Many of our fathers nowadays simply do not take their responsibilities serious anymore. Even while many of them were off to sea, they still played an important role in the rearing of children. Whether they were at home or not, whatever the mother had to do, if there was a discipline problem in the home the mother would deal with it as best as she could. But there was

always the threat of *'You wait till your father comes home!'*

[pause]

Mr. W. Alfonso Wright: So whether the father was there or not, it was recognised that the father was an important part of the household. Somewhere along the line fathers, in particular, seemed to have taken it for granted that because they were not around that they had no role to play in bringing up children. I do not know if that is where it all disappeared, Madam Speaker, but the women were left and right now it is the same thing. They have been left to take care of kids. Fathers are no longer playing an important role in the discipline, the support, or the nurturing of their kids.

I believe, Madam Speaker, that somehow we need to find a way to get back to that. And this is part of my reasoning for wanting to involve so many people in attempting to solve this problem, that we involve as many individuals as we possibly can.

The head of the household, Madam Speaker, that of the traditional role of a man . . . we talk all the time of the problem that we are having with our young men in particular, and we keep wondering what has gone wrong. Why are the young ladies doing better in school and it appears as if the young men really do not care?

I am going to say, Madam Speaker, that over time, because of some of the reasons that I just explained, because the role of the father in the household has been diminished, because the fathers do not take the responsibilities seriously, the young men growing up have no example. They do not understand how a man should act. Children learn by watching adults. They learn from how they behave. And if the father is in the home—or whether he is in the home or not—and if he is not carrying out his responsibility or he continues to behave in a way that is non-productive, that is the same way his kids, or the kids around him, are going to believe that they should behave.

So unless fathers, in particular, understand what their role is, it is pointless preaching to the young men that this is how you should do it. We can tell them that until we turn blue in the face, but it must be a constant reminder. It must be by example on a daily basis of the way Daddy behaves—that is attitude in the home, that is attitude towards the support of his family; that is attitude towards how he treats Mommy.

Unless they are constantly bombarded, Madam Speaker, with that intense caring attitude, that way of being “responsible for my family”, of being “proud of my family” and being able to explain why things cannot be done, and being able to express sacrifices that have to be made—why you cannot do this today because you will not have this tomorrow. Unless fathers, in particular, Madam Speaker, get back to that we are going to have a very difficult time fixing this

problem. We need positive role models. We need men to step up to the plate and take care of their families.

Madam Speaker, leaders in any capacity, whether it is the captain of the football team, whether it is the president of the club, whether it is the Members of the Legislative Assembly, whether it is a CEO of a company, whether it is a Chief Officer, we have to be careful of how we carry out our responsibility. People watch. People pay attention to things that you do much more than what you say. We all have responsibilities.

So, Madam Speaker, we as legislators have to be careful with how we behave, how we deal with each other inside this Legislative Assembly, how we talk to the press, the things we say when we try to make a point but we may bend the truth so that we can make our point a little bit stronger. They see that and they learn from it. We must be true leaders. We must set examples inside here because if we stand here and we speak for days on a motion like this about what should be done and what has been done wrong all these years but we continue to behave in a different way, what is the sense? What is the sense?

So I ask each and every one of us here, Madam Speaker, to re-examine not just our commitment as Members of the Legislative Assembly but our commitment to our country as citizens in whatever walk of life. We have a role to play. People do not ignore what we do.

One of the greatest shocks that I have ever had in my life was as a young man still growing up in my father's home. I had a sister who got married before I left home. I remember crossing her room one day, just walking across the door, and I overheard her telling her young son to do (whatever it was she was trying to show him to do) like his Uncle Alfonso. I stopped but I did not go back. I just stopped there for a while because it hit me like a ton of bricks. I said I did not know anybody noticed that I did that.

So had it been a negative action, Madam Speaker, my nephew could have picked it up as well. It was something that I simply took for granted, but it was something that she saw and she liked. Here she was trying to get her son, my nephew, to do it the same way. So please do not think that people do not notice what we do or listen to what we say.

Madam Speaker, as individuals we have to understand that we are not in this thing alone. We have to understand that we cannot go about our lives, we cannot live the kind of life that we want to live, go to the school that we want to go to, get the kind of job that we want to get, build the house that we want to build in the community we want to build it in and not be affected by those around us. We have to somehow understand that although we may have been successful in our lives, in whatever it is we set out to do, that there are individuals who were not as fortunate for whatever reason.

We need to understand that unless we help them, unless we try to lift them up, that the actions of

those individuals are going to affect our lives. We can build the nice homes and develop the nice companies and drive the nice cars and all of that, Madam Speaker; but if surrounding us the other people did not do so well and they have no food to eat, nowhere to sleep and they can get no jobs, their actions are going to affect us. Sooner or later they are going to say, *'There must be food in that house. I am hungry!'* What are they going to do?

If you do not give it to them or help them find a way to get it for themselves, eventually they are going to come into your house. So do not think that you do not have to rub shoulders with them, or because they did not care about going to school like you did that you can turn up your nose at them and walk away from them. We have to change that attitude.

We have to get back to the business, Madam Speaker, of what I consider developing people. We are too quick nowadays to write people off, to not have any patience, to not have any form of any determination, to assist those who are worse off than us.

Madam Speaker, as a boy growing up I knew of many instances where there were individuals within a community who were wayward, who every now and then (or maybe more often than not) got into some problem. But usually, even if it was a police officer, [someone] paid attention to those individuals, worked with them, continually looked out for them, just to make sure *'How is Georgie doing today? Make sure he has something to eat so he don't have to go steal from Uncle Tom. Call him over. I need a little grass pulled in my yard. Let me see if I can get him to do it for me so I can give him a couple of dollars that I don't strip him of his dignity and make him earn a couple dollars rather than giving him something.'*

We have always been the type of country that did that. However,, Madam Speaker, in the age of prosperity and development we have all gotten busy and we do not believe that we need to live like that anymore.

Madam Speaker, a big part of what we are dealing with right now with this rollover policy, the immigration issues, all of this is connected because firms, companies, individuals who employ other people that would take time with somebody who cannot do the job just right, who may have had a little bit too much to drink on the weekend and has a problem getting to work early on Monday mornings, we are too quick to dismiss these individuals. We have no tolerance, we have no patience. So because we have the option now, we have the ability, *'If the Caymanians will not do the work I can always get a work permit.'* So the effort is no longer put into working with individuals who give us a little problem. We have no tolerance, we have no patience and we do not attempt to help them develop anymore. We simply write them off because it is easy to get somebody else to fill that position through a work permit.

[Inaudible interjection]

Mr. W. Alfonso Wright: So, Madam Speaker, again the reference I made earlier about involving more people, it is things like this that I need to understand. You see, after a few generations that way of life that I am talking about 20 or 30 years ago, after a while there will be no semblance of that. There will also be no memory of it because we did not pass it on. So, unless we do something about that now and try to reconnect the old with the new for them to have pride in who they are, that they are Caymanians and that stands for something, all will be lost. We have to get back with that connection of looking out for one another.

I am sure it is clear, Madam Speaker, for us to understand, for us to connect, that if you do not have that patience, if you do not exercise that tolerance and if you are not concerned about the development of those around us, after writing them off these are the individuals that eventually become involved in crime. We know what happens after that. We talk about recidivism. We talk about people having no pride, of prison not meaning anything, of them not being ashamed of going to prison. So the cycle continues.

If we do not work on every possible little avenue, every single little crevice in which something can go wrong—because there is no one or two things that need fixing here, it is a multitude of events. But we have to work on all of them. If your boat has four or five holes in it, Madam Speaker, it does not make sense to plug one. Water is going to come in the other four! So, I just want us to understand that our situation is a grave one, but it is not one that we cannot do something about. We have an opportunity now.

Madam Speaker, a lot of the things that we have identified in [the Report] have been tackled. A lot of the educational side of this thing is being worked on, and I thank God every day for the tenacity, the determination and the vision of our Minister of Education who dared to be different, to have a vision and to have the strength to fight the system which is usually opposed to change, to stick to his guns.

Regardless of what else we do we must acknowledge that that is the key. We have started in the right place and already we are seeing some results. However, what is also important, Madam Speaker, is that people are accepting that change was necessary. He has gotten their attention and their respect. Yes, young he might be, but vision is not only for the old. We must be able to identify and accept when it comes along and embrace it. I am happy and I feel a lot better about our country today than I did two years ago. So I take my hat off to him and his team.

Madam Speaker, at this time I would also like to make a plea to the young women of our country and say to them how very proud we are of their many accomplishments, not just with their education but also the jobs that they are beginning to take on. They are very good at it. However, in an ironic way, Madam Speaker, the young women of this country are inad-

vertently contributing to the delinquency of our young men, in that, for some reason or another, a lot of our very bright young women seem to have this attraction for our young men who do not pay a lot of importance to academics, they do not think it is necessary to work, the way they carry themselves. A lot of our young women seem to gravitate towards that type of deviant behaviour. So, in fact, they encourage – and they go further.

Many of them that have good jobs support these young men financially. They buy cars. They may get dropped to work by these young men, who are out all day doing whatever they do with these cars, and if they are lucky they will pick them up in the afternoon from work. If they are lucky. They also give them spending money.

Madam Speaker, we need to appeal to these young ladies to understand that whatever it is that they are going through, whatever high it is they are on because of this popular individual, because of his style, because of his behaviour that in the long run no one is going to benefit from that. They will all suffer. But you know who suffers most? The kids that they bring into this world. Then that cycle continues because that child, again, had no direction, had no example. So what is going to happen? That cycle continues.

We have to stop this, Madam Speaker. We have to appeal to these young ladies to tell the young men, *'Go make something of your life. Go to school. Get yourself a good education and then you come back and talk to me.'* Our parents need to play a role in this as well and pay close attention to the company that your young ladies keep, to the boys who come over, to the boys they are allowed to go out with. We must be more vigilant. We must understand. We must ask questions.

[pause]

Mr. W. Alfonso Wright: Madam Speaker, another topic that we all talk about a lot is the many families that are supported by the proceeds of drugs, where a family knows that their son, or daughter for that matter, does not have a job but the money is coming in on a regular basis. And because it allows them a comfortable life, because it puts money in the mother's or father's hand, they either refuse to accept or they turn a blind eye to it. Then, God forbid, something happens and you hear, *'Well, I didn't know.'* We have to wake up. We have to understand these things.

Madam Speaker, as a young boy growing up, if I had money my mother knew where it came from. If she did not give it to me, she doggone well knew where I got it from. If not I would have to answer where it came from. Now, go home and put money in my mother's hand? God knows she needed it, but could you imagine me going home and saying, *'Mama, here's \$100,'* and I cannot tell her where it

came from? *Humph!* But, again, we have come to accept.

Madam Speaker, so often when we turn a blind eye to this, sooner or later it comes back to haunt us and it touches home sometimes where it hurts most and lives are lost. Many times it is right within the family groups where they hurt themselves, where crimes are committed against the same family. So we need not think that it is not going to happen to us. We must come to realise that these things are wrong and we need to put our children in their place. Do not encourage them.

Madam Speaker, I just want to touch again on the service club issue. While I wholeheartedly encourage it, I need to say that there is also another little problem that we experience in this country when it comes to things like service clubs and individuals who work for companies being able to spend time on social activities, civic-minded people who would like to do things outside of their regular work.

Madam Speaker, most work permit holders, especially in the executive realm, it is recommended when they come here to find a service club, find some way of getting in with the community. Usually it is good for business. They have also come to realise that when the time comes for another work permit or PR (public relations) or status, or whatever it is, that looks good on their resume so it is encouraged.

I know of many stories where local people are discouraged from doing it. You do not have the time. They do not want you coming to them and saying, *'Oh, I've been asked to come out and do so and so for my community.'* They do not want to hear that so they discourage. That is another problem that we have where young people, again, when they just join firms are not encouraged to get involved in service clubs and things of that sort.

So, just to say to our Honourable Attorney General, there are many facets to these problems that we are experiencing and they have to be tackled from all ends. I simply go back to what I said earlier. We need to encourage as many people, as many organisations as we can to work on this problem with us.

Madam Speaker, we have to spend a lot more time, a lot more effort, in how we make decisions about the way we bring up our young people. There are some families in which, traditionally, their kids go to church when they are young because they are in control, or they take them to church themselves. I know there is also the trend now where we drop our kids at church and we do not go anymore, so that's another level of example that we have fallen down on, where we say to the kids, *'You need to go to church but I don't need to.'* So we tend to drop them off and then we pick them back up, but we feel good about that. *'Yes, I can say that I made sure my kid was exposed to the teachings of the Bible.'* But what you did not expose him to is the example that you believe that it is right for everybody to go to church.

So what happens, Madam Speaker, is that we get this false sense of security that there are so many young people in church at a certain level or involved in some of the other things and we do not understand that that is done, for the most part, compulsorily.

There is a phenomenon, Madam Speaker, with our local sports. There is a clear example there where at primary school level we see some budding athletes. Some kids are great with soccer and some of them are great with cricket and a few other sports. Sometimes some of them make it through middle school, but usually by the time they reach high school they seem to have fallen away. They have either lost their zest for it or they just do not bother to come anymore because nobody is pushing them anymore. It is no longer compulsory. The parents do not have that desire or that drive to take them out to the practice fields anymore.

There is also another good example. In soccer here in the Cayman Islands on the senior level it has just about died as far as a national team is concerned. It is that discipline that we seem to lose once they become adolescents. It is not carried forward. We sort of drop it somewhere in that primary school/middle school area.

So I am saying that the football associations and the volleyball associations and the athletic associations, Madam Speaker, are organisations that I also encourage the Attorney General to solicit help from.

[pause]

Mr. W. Alfonso Wright: I mentioned the church, Madam Speaker, and there is a major role here for the church. I know too that everybody everywhere has difficulties. I think over time we have all relaxed on what we think our responsibilities should be and we sort of fit into a mould that we simply exist. Many of the churches still go the extra mile to involve young people and to keep young people involved in the church. But I think that the churches need to re-examine the ways that they entice and the way that they keep the attention of young people.

Because the family structure is not what it used to be, the compulsory attendance to things of a religious nature and youth groups that are directly connected to the church are not what they used to be. The things that we did, the things that attracted young people to churches, in particular 40 years ago, those methods do not work well anymore. Sometimes even the churches have to remove themselves from their traditional norms and understand and come to terms with what they have to do to encourage young people to remain a part of the church. They have to redevelop whatever activities it is that they do.

Madam Speaker, the most important thing is to get them there and keep them. Sometimes we just have to be innovative about that whole thing. I cannot tell any particular church which way they should do it,

but I am saying that if the old system, if the traditional way of getting young people and keeping them in church is not working then even the churches need to redevelop that system.

You see, as a boy growing up, Madam Speaker, it did not happen to me, but I can remember folks saying to young men, again, in particular—there were always problems with young men. We know that. But I remember people saying to young men, *'If you do not behave yourself I am going to tell the pastor. I am going to tell Brother So-and-So,'* because the position of the local preacher was one of utmost respect.

[Inaudible interjection]

Mr. W. Alfonso Wright: You do not dare do something that the preacher needed to call you in and talk to you. The young men had so much respect for our preachers back then.

I am saying that those things we drifted from, I do not think anybody set out for that to happen, but I would like to encourage the churches to revisit that, to look at that again and to try to do something that . . . I do not think that we will ever get back to that level, Madam Speaker, but I believe it can be improved on what we are doing right now.

Madam Speaker, it is really mind-boggling when we think that the involvement of our young people in churches back then was of such a higher percentage when we had fewer churches than the amount of churches we have now and we do not seem to be able to maintain much of an attendance at religious events or even church, itself. I am not calling anybody out, but sometimes we just need to be reminded. So it is a gentle reminder from me to our churches to take a look, to step back, examine and acknowledge that something has gone wrong but make a determination that: *'This is a goal for me and my church. We are going to do something about this.'*

So, Madam Speaker, I know that the Attorney General, the Honourable Second Official Member, is listening and he will, I am very certain, approach them for help. You see, the role of the churches has to be one of total commitment. It has to be total involvement. The traditional way of churches operating was not simply for people to come to the church, but there were many churches that made great efforts into going to the people, when the pastor's role between Sundays was to visit people in the community.

We know that everything has become a whole lot more commercialised nowadays and the responsibilities are a bit different, but I have to say, Madam Speaker, that we know from the political arena you can get up on the platform and you can preach and you can beg. You can lay out all your plans about what you are going to do when you get there, but the results with politicians gaining support is with visiting. It is going and making personal contact. And I daresay that politicians probably learned that from the churches. I am only saying that I know there are lots

of them that still do it, but I do not think enough churches do it.

You see, the churches make their stand on many things. They are very vocal on the homosexual issues. They are very vocal on Sunday trading. They are very vocal on opening late on Saturdays and on liquor licensing issues. Madam Speaker—

Moment of Interruption

The Speaker: Honourable Member, would you give me a moment, please?

We have passed the Hour of Interruption, but due to the lack of a quorum being able to form we are going to continue until five o'clock.

I call upon the Honourable Minister of Education to move that extension.

Standing Order 10(2)

Hon. Alden M. McLaughlin, Jr.: Madam Speaker, I beg to move that this honourable House do continue beyond the Hour of Interruption until 5 pm.

The Speaker: The question is that this honourable House do continue until five o'clock. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

Agreed: The House to continue proceedings until 5 pm.

Mr. W. Alfonso Wright: Yes, Madam Speaker, thank you.

I am saying that the churches, and rightly so, are very vocal on these issues and much more that I have not mentioned, Madam Speaker. I am in support of the majority of the stands that our churches take. However, as I explained earlier, with the parent in the home telling the kids what to do and doing something different, in the father saying: *'Don't do this'* but he in turn does it has very little effect. What is most effective with that child is what he sees the parent do.

So, Madam Speaker, I just want to encourage our churches to become a little bit more involved, to step out and re-engage our communities rather than make their public statements either in the press or from the platform, but try a little bit harder to engage and involve our citizens, especially our young people in a regular and meaningful way.

I hope, Madam Speaker, that no one takes this as any criticism with the churches. I am a religious-minded individual. I believe there is a God. I believe there is a supreme being. I go to church as often as I can. I should be there a lot more. I am in no way criticising our churches, I am only encouraging

and saying to them that we have a problem and we need to work on it together and we need their help.

Madam Speaker, as part of my responsibilities as a member of a local service club, I do try to make time as often as I possibly can to still get involved in my club's activities. The educational side of things have really been left for too long. I know I went through the spiel already about what is happening now and the good work that our Minister of Education is doing, but I have had the privilege for many years to sit in classrooms with kids who are given eye exams. This has been a project of my club for over 30 years now and this is done to assist the country, the parents, our government, as a service project where we do this test to see if any of our kids may have a sight problem that would, by extension, adversely affect their learning.

Madam Speaker it was extremely discouraging the amount of kids at primary school level, year one, who did not know their ABCs. In the beginning when we were having difficulty with the kids reading we simply thought that yes, this kid must have a sight problem. But after the doctor could not get any results by putting up letters, she then put up figures of animals and other objects and so on. Right away the kids could tell you what that was, so their vision was fine, most of them. They simply did not know their ABC's.

So, at primary school I am saying that our process through kindergarten is an important role as well, Madam Speaker. We just do not send our kids to preschool for the babysitting function. So the quality of care that the kids get in preschool is also extremely important and must be monitored.

Now, it must mean that somewhere along the line we have relaxed whatever policy we had on how our preschools have been run because the amount of what we saw—and I am just talking about one school, Madam Speaker, but the consensus was clear at the end of the day that all those who attended other schools kind of came back with the same report—was very disheartening.

So, I do understand the role that our Minister of Education and his group have in righting this education problem that we have,

Madam Speaker, how could we as a nation for so long neglect the education system in our country? It has contributed to many ills. Many of the problems that we are dealing with right now, many of the crime problems we have come to understand the statistics are here. It shows us what the level of education is with the majority of our inmates, majority of people who become involved in criminal activity. Now, we know that we cannot fix this overnight, but again, Madam Speaker, I believe that there is an association of preschool teachers. I believe there is something of that sort. That is another one for the Attorney General to look at.

Madam Speaker, on page 32 of the Report I would like to read item 3.3. It says: **"In the Caribbean, the picture is probably similar. In a study**

conducted in Barbados . . . academic and vocational skills achievement measured low among the population of imprisoned offenders. This research involved interviews with a sample of 110 male inmates and it was observed that of the 78 respondents who attended secondary school, only 16 (20.5%) of them received some (CXC/GCE) certificates, the majority (79.5%) of them left school without any form of certification.”

Madam Speaker, I understand that it is not just our problem. We need to understand that, but we need to understand what is going to happen to us if we do not do something about it.

On page 39, Madam Speaker, is an excerpt from somebody that was interviewed. It says: *“I used to hide out from school. I never paid attention to school because wasn’t nobody paying attention to me. I would miss school a lot. I wasn’t performing so good, I was always slow. Teachers didn’t care. They never used to tell my mother that I used to miss school. I hated school. The thought of going to school used to make me feel read bad. I didn’t like school. I hate it up to today but I can read now. I taught myself how to read”.*

Madam Speaker, I read that because I just wanted to step back briefly to what I said about developing people and to show you that it is not just in the workplace, it is not just at home, it is not just with the churches. See, it is right here in the school where some teacher, or teachers, because this child was of a certain attitude, had some behavioural traits that they did not like, they simply wrote the child off. But the lesson here, Madam Speaker, is what this child said from prison: *“I taught myself how to read”.* What does that say to us? The child had the ability but as teachers or as adults or whatever organisation we are involved with did not work hard enough with that individual to bring out that ability, to bring that to the surface. So at the end of the day, you could say that he came around and did something for himself.

Madam Speaker, the majority of the cases are not going to happen like this. It has to be a community effort where we work with these individuals. We have to show them that we care. We have to show them the alternative. We have to make it known to them what will happen in life with them if they do not do certain things, if they do not pay attention to school.

We have talked a lot about the vocational training and the Minister of Communications spoke very well of the stigma that is slowly being attached to vocational training. I am so happy that we have been making efforts to dispel that so that we do not continue to believe that vocational training is only for kids who are not academically inclined.

Madam Speaker, there are many individuals who have degrees in all sorts of academic areas, but they chose other vocations as their career. That is what they love to do.

So I am extremely grateful that efforts have been made, and I think we will have to continue to do

that because I think the average person in the Cayman Islands has sort of misunderstood, and it may be because we have been wanting it for so long, Madam Speaker, that we have not taken the time to fully understand what it really means. I do again say how grateful I am that our new, young, visionary Minister of Education is making sure that something is done about it.

[pause]

Mr. W. Alfonso Wright: Madam Speaker, prison – we continue to talk about what happens in the prison, what happens to individuals after they leave prison. Not much mention has been made throughout the debate of I think the debate is, Sentence—

The Speaker: Honourable Member, I know you are going into an area of prisons which will take you much longer than ten minutes.

[Inaudible interjection and laughter]

The Speaker: So, if this is a convenient point for me to grasp the Members so that I can get an adjournment, I will entertain a motion for the adjournment of this honourable House.

Honourable Minister responsible for Education.

ADJOURNMENT

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

Madam Speaker, I move the adjournment of this honourable House until Wednesday, 15 November at 10 am.

The Speaker: The question is that this honourable House do now stand adjourned until Wednesday, 15 November at 10 am. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

At 4.49 pm the House stood adjourned until 10 am Wednesday, 15 November 2006.

OFFICIAL HANSARD REPORT
WEDNESDAY
15 NOVEMBER 2006
11.00 AM
Fourth Sitting

The Speaker: I call on the Third Elected Member for the district of West Bay to say 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 11.03 am

**READINGS BY THE HONOURABLE
SPEAKER OF MESSAGES AND AN-
NOUNCEMENTS**

APOLOGIES

The Speaker: I have received apologies for late arrival from the First Elected Member for Cayman Brac and Little Cayman.

**STATEMENTS BY HONOURABLE MINIS-
TERS/MEMBERS OF THE CABINET**

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

GOVERNMENT BUSINESS

MOTIONS

**Government Motion No. 7/06-07—Pre-Disposing
Factors to Criminality in the Cayman Islands**

(Continuation of debate thereon)

The Speaker: The debate continuing on Government Motion No. 7/2006-07. The Fourth Elected Member for the district of George Town continuing his debate.

Mr. W. Alfonso Wright: Thank you, Madam Speaker.

Madam Speaker, when we called for the adjournment on Friday evening, I was just about to speak on the subject of prisons and sentence planning. There has been quite an amount of interest shown in this honourable House and on a few occasions when we have had the opportunity to question staff from the prison, we have done so in great detail about what is happening with sentence planning, and whether or not there is any proof that it is working. And, Madam Speaker, on all occasions we have been assured that sentence planning is indeed up and running and that it has its positive results.

Madam Speaker, if we should go by this Report, there is clearly a great deal of concern with the rehabilitative processes that are going on inside of the prison. It is very clear to all that it is simply inadequate, and this Report bears that out. I think we have all felt that way for quite some time and our objective was always to come to terms with that with the prison staff so that we could understand what we need to do to make it right. But if we continually are being told that it is working fine, then what is there for you to fix?

Madam Speaker, many of our young people who have been in and out of Northward Prison have said in their own words that incarceration has only assisted them in honing their criminal abilities. They will go in there for minor offences and by the time they are out of there, in their own words right in this document—but we have heard all the stories before—they have then been schooled by many of the long-term

criminals who are in the system. They are told exactly what to do, how to do it the next time and usually these individuals are the same ones who eventually fall into the revolving door process at the prison. They come back out much worse than they went in.

Now, it is clear that we have problems in many areas, Madam Speaker, but if the prison system is only making our criminals worse then it is time for us to take a fresh new look at that as well. I know that that has been the thinking of some of our government officials for quite some time, but I think this highlights the fact that they need to be, like many other things in this country, put on the front burner.

Madam Speaker, this Report continuously calls for a complete new form of thinking in the Cayman Islands. I have made some suggestions to the Second Official Member as to individuals who I believe we need to get involved in this process so that everybody understands the problem and understands that it is not just somebody else's problem, that it is something touching each and every one of us and that we can only resolve this issue if we do so together. We must all be on the same page. We must all be on the same wavelength.

The business places must understand that they have a role to play. The churches must understand that they have a role to play. The schools must understand that they have a role to play. The police officers, Madam Speaker, must understand that they have a role to play. Legislators must understand their role. Parenting—parents must come to terms with their responsibilities and begin to do what is right; what is necessary. We have to start now. There is no point in putting this off any longer, Madam Speaker. We have to understand that this requires a new breed of individuals to help battle this problem.

The problems highlighted in this Report, Madam Speaker, are problems that we have been aware of for years. But what this Report has done is to put it in better perspective for all of us where we can turn from page to page and understand the whole process. You are not just picking things out of your head or things that you believe. It is now in documented form that you can follow from beginning to end. By the time you reach the end of this document you have a very clear picture of the monster that we are dealing with.

Madam Speaker, I also know that the Second Official Member thinks that my sole purpose up here is to add to his workload, but this is a wonderful document. Yes, it is all bad news but it has created the awareness that we needed here in the Legislative Assembly to understand what needs to be done about the problem.

Madam Speaker, this is reading for every pastor, every preacher and every principal. I trust by now that all Members of the Legislative Assembly have read it, but this should be compulsory reading for police officers and every parent. This book needs to be circulated throughout the three Islands. Everybody

must be given the opportunity to understand this. This is every day reading. We must all come to terms with this. The inmates in Northward Prison need to read this. We all need to understand we are not going to solve this problem unless we all understand it and understand what we have to do to make it right. We cannot say: *'It is not my problem. I do not have anything to do with this. This is somebody else's problem.'* We have gone through this and we understand that this affects every one of us.

[pause]

Mr. W. Alfonso Wright: Madam Speaker, this calls for a complete new breed of social worker. What social workers have done in the past will no longer be deal with these issues. It is clear that what we are doing now is not helping. Our social workers are not properly equipped. Our police, our community beat officers are not prepared for what this book says.

You know, it always comes down to money, Madam Speaker. There are so many things that have come to the fore since this Government has been elected that need to be done, that should have been done. All I can say is thank God there seems to be political will at this time to tackle these difficult issues. I do not know how we will continue or where we will find the money, but this thing talks about a youth training and rehabilitation centre; it talks about setting up a drug court; it talks about prison reform. All of these things require a lot of money. Training for social workers; training for our community beat officers; different types of training for our teachers; all of this requires money. But I know that this Government has a political will to tackle this and that we understand what is needed, what has to be done in order to turn this thing around.

Madam Speaker, families that we continue to talk about . . . the book easily shows here what happens in the home when kids begin to have kids of their own; when they have not had the time to develop themselves and they are now expected to raise children. Madam Speaker, once the dysfunction sets in to a family, it is clear that there is no way that these individuals have the ability to pull themselves up. There must some form of intervention that must be engineered and organised by the State. It is clear that the State must intervene somewhere along the line.

Madam Speaker, simple things like prenatal care, has to take on a complete new meaning. When an expecting mother visits a doctor at the hospital, he must not only talk about her physical health, he must also talk about her mental health and whether she is prepared for what she is about to become. Here, once that happens and she eventually has the child . . . many of them simply abandon the kids and they are left to other relatives or the State then has to take care. And it is the clear that the State on its own has not really come to terms with exactly what was needed to be done prior to this document.

So, Madam Speaker, I want to again say a special thanks to the Second Official Member whether it was his idea or whether somebody told him and he took advantage of the idea. I am extremely grateful that we have come this far where we were able to put this document together, where we now know firsthand and see what it is that we need to do.

Madam Speaker, parenting is a major responsibility. We have gotten to the stage in our lives where that simply does not mean anything to a lot of people anymore. Madam Speaker, there are recorded events here in this Report of individuals who have been abandoned. They tell you at the prison that: *'I never felt any love. My mother nor my father never sat down and had a conversation with me.'* These are people who had difficulty with the first child. It was clear that they did not want the child. They went through with having the child and, in many instances, after the first child that they abandoned they went on to have two, three, four, five; some of them more than that. I am saying that this is where the State must come in and be able to assess that expecting mother. From before the child is born we must have an idea that this is a potential problem and we have to work with this mother and this child after it has come into the world.

We have to be able to identify that and make provisions because the cost on the front end of having individuals in our system who can deal with that has to be cheaper—less expensive, less problematic—than having to deal with it when they reach the prison system. So, I want all of us as individuals, as parents, as legislators, as heads of businesses to understand the role that we have ahead of us.

[pause]

Mr. W. Alfonso Wright: Madam Speaker, on page 125 [paragraph] 4.70 says: **“Whether called sentencing planning or ITR [ITR refers to Inmate Training and Rehabilitation] the following components must be in place:**

- Remedial education
- A vocational skills training program
- Life skills training
- Specific behavioural modification programs
- Therapeutic services e.g. psychotherapy, drug treatment
- Pre-release Assessment and Exit Interview”

These are things that we are talking about for individuals who have gone in to prison. We truly expect these individuals, once they have been released from prison, to reform and to, all of a sudden, do what is right on their own. We fail to understand that many of these individuals have been with behavioural problems from as young as ages 5 and 6.

So, Madam Speaker, they have been in foster homes or remand homes, in juvenile detention centres

and then on to prison. These individuals never had the training to work in a social environment, to understand the disciplines of getting up for work in the morning and being able to work through a day, and then come back to work the next day and then wait for the end of the week or the end of the month for pay. They have never been taught that discipline; but all of a sudden we expect them to. Because they are adults we forgot what they had gone through and expect them to all of a sudden—*'Here is your big chance. You are now out of prison. Stand up and do the right thing.'* But they do not know what the right thing is.

Madam Speaker, I know I have said this many times before, but we have been woefully lacking in our education system in this country for so many years. We are so far behind. It is incomprehensible to me why we have in the past—as governments, as leaders of this country—failed to pay attention to the plight of the education system. We developed a culture where a child would graduate simply on attendance and maybe good behaviour. Even a school certificate was adequate. Academic or vocational excellence was good but really not required. If you had it, fair enough; but you are out of the system now, you are in the workplace and you must perform.

We have done a serious injustice to many individuals, to thousands of individuals in this country, Madam Speaker, and it is still happening. But, like I said before, we now have a new vision. The problems of education are being tackled. It is not going to change over night because there are some that are already in the system that have their difficulties and we also have to find a way to try and work with them and pull them up. But it is going to be harder for us, once we realise what has happened, to start working with the young ones in the system right now.

Madam Speaker, I have read this Report from cover to cover and it is a rather sobering thought when you really come to terms with the things that are in here.

“Drug Treatment in Prison” on page 131 says: **“As has already been recommended as part of the broader program of inmate rehabilitation, drug treatment would have to be initiated at Northward given the apparent large number of drug abusers in prison. Consider the implications of Table 4L. [That is below, Madam Speaker] Moreover, the data reveals that forty three percent (43%) use cocaine – a most addictive substance. The current drug counseling program at Northward prison is wholly inadequate. As a rule, one does not counsel a person out of addiction. Addiction is an illness that requires treatment and the inmates that require it are not getting the appropriate intervention.”**

So, Madam Speaker, these individuals, yes, we find them with the drugs; we find them with the cocaine; we find them with the marijuana, or whatever else they use, and we lock them away and believe that solves the problem. But some of these inmates still have the ability to get drugs while they are in

prison. If we do not cure, if we do not work on the root cause, when these individuals exit the prison doors they simply fall back into the same old routine.

Drug use is a complex phenomenon and there are different categories of users. Admittedly, not all drug users are addicts. Therefore a diagnostic system must be in place to identify those who need treatment. However, all in all a programme that has detoxification treatment and rehabilitative components is necessary for a number of inmates. Prison cannot solve the problem of addiction, but is a very expensive way of containing its victims.

[pause]

Mr. W. Alfonso Wright: Madam Speaker, in winding up I want to make reference to a few things that some of these inmates have said. I know that most of us have read all of this, if not the whole book. But for the general public to understand a little bit more about this I will read a few excerpts from here.

This is a question to an inmate: **“Was there ever a period in your life when you felt rejected by either of your parents/guardians, as if they didn’t care about you or love you or appreciate you as their child?”** The inmate answered, **“I still feel that way to this day, Miss. Mum makes me feel like I was not good enough . . . me as a person.**

“When the inmate was asked ‘Do you think that the relationship between the two of you has had any influence on you i.e. your outlook on life or your behaviour, or your being in here now?’ he gave the following revelation.

““Yes, like my bad temper. I know it comes from the pain I feel. I had hated her for sending me away. I could not take it out on her, so I took it out on other people. That even used to affect some of my relationships. Me and a girl would be going good and from the time I see her talking with my mother, I don’t want nothing more to do with her.””

You see, when kids get to this stage where there has simply been no connection, no bonding with the child . . . Madam Speaker, I am still confused, and I will always be. But at some point I must say that I do have some understanding of the matter now. I believe that, apart from our love of God and the great sacrifice that Jesus made for all of us, there can be no greater love, no greater bonding than that of a mother and a child. I do find great difficulty in mothers especially, abandoning children.

“In discussing his long-held pain, he said, ‘It makes me feel hateful, Miss. When I graduated, they had a function at the Lions Centre which I was involved in. I did it to get her approval but she never came. Nothing in my life she never been to, Miss. And then I started dropping from Set 1 to Set 3. I just stopped caring whether I did good or bad, Miss.’”

Madam Speaker, where are we to lay blame here? How do we know the circumstances of the

mother? Maybe she too was a similar victim and that is what we need to understand. We have to stop the cycle. We have to understand what is happening with our youngsters. We have to pay attention to them through adolescence. And the minute we see any signs of trouble we must intervene. The signs are usually real but we tend to ignore them and say, *‘Oh, he is going to be okay.’*

Madam Speaker, we as legislators need to do our part. We must set the right examples. We need to assist the families; we need to assist the kids who have fallen by the way.

Again, I would like to congratulate the Second Official Member for commissioning this Report. It is clear this Motion is going to be accepted. I just want to make sure that we do what is right from this point, that we understand the involvement level that we need to get at to make this what it should be and we do not let this go to waste. This is going to be a mammoth task, but I believe that we have the will; I believe that we understand that this is extremely important to the betterment of our nation to be able to make individuals feel good about themselves and become contributing and productive citizens of our country.

Thank you, Madam Speaker.

The Speaker: Does any other Member wish to speak? [pause] Does any other Member wish to speak? [pause] 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.

Madam Speaker, let me begin by expressing my gratitude to all honourable Members who have spoken so passionately on the debate of the Motion. It is understandably quite gratifying and heartfelt. And it was evident from the way those who contributed spoke, the passion in their voices and the degree of analysis, that ‘all hands are on deck’ as far as giving effect to the recommendation of the Report.

Madam Speaker, a recurring theme throughout the debate was the point made that it takes a village to raise a child. It might very well be an African, sort of, proverb, if I might put it that way; an African saying. But it is as relevant today as it was then when the observation was made.

[Pause – Background talking]

Hon. Samuel W. Bulgin: Madam Speaker, simply put, what it really means is that it takes the entire society, the community as a whole. We all must take ownership of it. The policeman who walks the beat, the pastor, the teacher, the parent, social worker, our business sector and just about everyone has to play a part in the upbringing of our children and it does not just end there. When it gets to the point where they become adolescents and beyond, those of us who

have the responsibility to continue to guide, nurture and assist these people in focusing, developing and moulding their self-esteem, and as the Fourth Elected Member for George Town said, to start believing in themselves because they have the capacity, the ability, to lead a productive life, we, as legislators need to be able to assist them in that regard; to reassure them, to support and encourage them. It is therefore very important that we all buy into the recommendations; buy into the issues and take ownership of the issues raised in this Report.

The Report has been widely disseminated, Madam Speaker. We have made copies available to the Ministers' Association and others. The hope is that having read the Report, persons, institutions, organisations, NGOs, just about everybody will be motivated and encouraged to get on board in helping to implement the recommendations (where it is within their remit or power to do so) and start taking on board some of the issues raised there; because if we ignore them as a society, we are going to ignore them at our peril.

For example, it is very important when persons are released from penal institutions that they are afforded an opportunity to get a job, to earn an honest living and to care for themselves and their families. It is no good trying to ostracise them, because by doing so what will eventually happen is that they will sort of become associated again with persons who are prone to deviant behaviour and that can only lead to re-offending.

My recollection, Madam Speaker, is that the Report itself is online. I think it is available electronically on the Government website. I will just confirm that, but I am almost sure as I speak here that it is in fact so available. I take on board the various suggestions and recommendations coming from those who have debated and the list of homework that has been passed down to me by the Fourth Elected Member for George Town. *[Laughter]* I am really grateful for his insightful debate, and I certainly can assure him that it is our intention (where it is within our powers to do so) to ensure that these suggestions that he has put forward are acted upon.

Madam Speaker, there is currently a Task Force, chaired by the Solicitor General, that is charged with the responsibility of studying the Report itself and giving effect to the recommendations. It is a Task Force that comprises persons from different disciplines: education, health, social services and so on. For obvious reasons, I mention that the matters raised in the Report are not just multi-dimensional; they are multi-factorial.

Understandably, a multi-agency approach is necessary in order to give effect to matters contained in the Report. It is hoped that by the end of this month, beginning early next month, they would have come back to us (Cabinet that is) with some further tangible recommendations on how exactly to implement these

matters that are contained in the Report. So, we are moving full steam ahead.

If I might just say, Madam Speaker, as I may have mentioned it at the beginning of my debate, the Report is really just one of several initiatives being pursued by the Government at the moment. There has been considerable effort placed on sentence planning, early intervention, at-risk youth, reform of our education system, reform of our parole system, as well as other initiatives. But they are all aimed at ensuring that we have a civil society where our vulnerable individuals are assisted in refocusing their effort and becoming involved in productive enterprises, hence to avert any possibility of falling into getting involved in anti-social behaviour.

So, Madam Speaker, having said all of that, I thank this honourable House, all honourable Members, and those who are involved in putting together what has transpired in this House so far. It is only left for me to say, again, a special thanks to Ms. Yolande Forde for a very well written and insightful report. We are committed as a Government to the issues raised therein and we see how we will move forward from here.

Thank you.

The Speaker: The question is: **BE IT NOW THEREFORE RESOLVED THAT the Legislative Assembly hereby adopts the Report as the definitive study on the pre-disposing factors to criminality in the Cayman Islands;**

AND BE IT FURTHER RESOLVED THAT the Legislative Assembly hereby authorises the establishing of a multi-agency Task Force comprising of representatives from all the relevant Ministries and Portfolios as well as non-government organisations impacted by the Report to be tasked with formulating plans to implement the recommendations contained in the abovementioned Report.

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

Ayes.

The Speaker: The Ayes have it. Government Motion No. 7/06-07 is duly passed.

Agreed: Government Motion No. 7/06-07 passed.

OTHER BUSINESS

PRIVATE MEMBERS' MOTIONS

Private Member's Motion No. 1/06-07—Stamp Duty Concession for Caymanian Homeowners

(Continuation of debate thereon)

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

Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker.

Madam Speaker, I am going to do my best not to be too repetitious, but I was not here to hear exactly what the Honourable Third Official Member said, although we had discussions with regard to the Motion. So I will do my best.

Madam Speaker, the Motion itself as it reads:

BE IT RESOLVED THAT the Government considers reviewing the Stamp Duty (Rates of Duty) Regulations 2006 to provide that first-time Caymanian homeowners pay stamp duty at the rate of 2 per cent on the excess of CI \$200,000 to a maximum of \$300,000 in relation to the new paragraph (8) (b) (i) of section 2(i) of the Stamp Duty (Rates of Duty) Regulations 2006.

So, Madam Speaker, the Motion, if we relate it to what it obtains presently, is asking that instead of first-time Caymanian homeowners paying 2 per cent on the total purchase price, once that price is between \$200,000 and \$300,000 the Motion is asking for the first-time Caymanian homeowner to only be paying 2 per cent on whatever it is of the total purchase price that is above \$200,000 once it is below \$300,000.

Madam Speaker, there is a combination of rates of stamp duty that obtain in the new regime. What obtained prior to the changes that this Government made commencing 1 July was that there was a 5 per cent stamp duty paid on transfers of property across the board, and when it came to first-time Caymanian homeowners there was a ceiling of \$150,000. If the property was \$150,000 or less for the first-time Caymanian homeowner the stamp duty was waived totally. But once it exceeded that \$150,000 by \$1 then that individual had to pay the total 5 per cent on the total value of the transfer. So there was not a tiered system prior to this.

I think all Members will agree that in recent times not only costs but values have increased, and I perhaps can use the word "dramatically", so that the benchmark of \$150,000 really became irrelevant and I think we all agreed on that. What the Motion is asking for is something that we worked through as part of all of the different scenarios that we put in front of us to try to decide which one was the best route to take.

First of all, Madam Speaker, we had to decide on where we were moving the ceiling to. We looked around at prices and saw where one could easily, and justifiably, move the ceiling from \$150,000 to \$200,000, so that was immediately agreed-upon. But, in the course of our look-see we found that in many instances it was nigh impossible at a certain salary level, once one was able to qualify for a mortgage, to actually find homes or units that were \$200,000 or below.

There were certain developers who were catering to that need and satisfying a certain sector, but

it was nowhere near to the demand of the prospective homeowner, some of them being first-time Caymanian homeowners. So, it was for that reason, Madam Speaker, why we decided to go a bit further rather than to imitate what obtained prior except change the ceiling. Therefore rather than leave it being just \$150,000 it became \$200,000 and we left it at that. We tried to create as much of a balance as we could because there is another factor involved.

We looked at it, bearing in mind that for Caymanian purchasers of property across the board now, except in a few areas which were the high-end areas that we speak to, instead of it being 5 per cent we lowered that to 4 per cent. So there is a 1 per cent advantage going straight across the board, the idea being it was an incentive for Caymanians to purchase the property whether it be undeveloped property or whether it be a home. So that 1 per cent advantage was for the benefit of all concerned.

As I said, realising that we were with some difficulty, because some first-time homeowners were going to find it nigh impossible to acquire a property for \$200,000 or under, we looked at the other window of between \$200,000 and \$300,000. What we said then was to give them an additional advantage thereby having them pay 2 per cent on the total value of the property once it was less than \$300,000.

So, the summary of it all means that instead of a \$250,000 property getting to the point where someone would end up having to pay 4 per cent on \$250,000 as a first-time Caymanian homeowner, if we had left the ceiling at \$200,000 without having a tiered system, then one would have had to pay on that \$250,000, I think a \$10,000 stamp duty.

If we compare that scenario, Madam Speaker, with the tiered system that we speak to which calls for that person to pay 2 per cent on the total, what that does, as a first-time Caymanian homeowner, it cuts what would normally have been paid exactly in half, which means instead of paying \$10,000 on the stamp duty the person will be paying \$5,000 on the stamp duty.

Now what the Motion is asking for is, if it is over \$200,000 but less than \$300,000 that you only pay the 2 per cent on whatever that difference is. So, if we use the same figure and say that it is a \$250,000 property, what the Motion would ask to be considered is that the stamp duty then be 2 per cent of \$50,000, which would really mean, I think . . . 1 per cent of \$50,000 would be \$500 so 2 per cent would be \$1,000. So if we compare the two, Madam Speaker, we would be looking at the individual paying \$1,000 as compared to \$5,000 for a \$250,000 property whether it be developed or undeveloped.

Madam Speaker, it is certainly something the Government can consider. What we do not have thus far is a track of the numbers that we are dealing with. When we did the revenue projections based on all of the other things we had to do (roads, schools and so on) while trying to give as much advantage as possi-

ble (because we lowered the 5 per cent stamp duty across the board to Caymanians) we had to be very careful when we were doing all of the projections to ensure that the revenue was not going to be noticeably less than the normal projections. The truth of the matter is, in order to deal with all of the other situations, the Government needs the revenue. And there is no direct taxation or anything of the sort.

So, what we are faced with, Madam Speaker, is not a question of the Motion being one that we would consider. Certainly, we would have to consider the Motion. But I say that with a clear understanding that what we are going to need to do is perhaps get the first six months' figures when they are over, make comparisons, look at what the new system is and see where the revenue streams are at. If, in the big scheme of things (if I may be permitted to use the word "negligible"), we are not talking about a tremendous difference, then, certainly, the Government is quite prepared to look at this with a view to recommending changes to the Honourable Financial Secretary.

So, I just want to make sure that we are with a clear understanding that we need to get all of the facts together. We are nearing the end of six months at this point in time. It is not difficult to track those numbers and make the comparisons and then we will be able to be in a position to know exactly which route to take.

Certainly, Madam Speaker, in all of those considerations we do not wish to change any of the other things that have been done with stamp duty. It would only be—and I suspect that we may not be talking about much difference in revenue. But when we were looking at it originally (while what is being asked for now was part of the consideration), we were a little bit unsure of exactly how to deal with it because we were moving the stamp duty across the board for Caymanians from 5 per cent to 4.

So I think that pretty well sums up how we arrived at where we are at now, Madam Speaker. It certainly tells the mover of the Motion that the Government is quite happy to consider the Motion. And I do not mean for it to be idle acceptance either, I just wish to explain, as I said, the course of action that will be taken with regard to tracking it, looking at it and making sure that there is a balance that will be had. Certainly, it would behoove all of us to not just entice but encourage Caymanians to invest in their own properties; to take up those kinds of responsibilities, but to make sure they can do it in a manageable way. Anything to assist those first-time homeowners with the ability to acquire such properties, then the Government is quite happy to participate in it.

Madam Speaker, in summary, we are prepared to consider the Motion and the action that the Motion requires. But we will be doing so based on facts that we are gathering, and, certainly, we will be reporting back to the House as regards to where we are at and where we go from there once the facts are gathered.

Thank you very much, Madam Speaker.

The Speaker: Does any other Member wish to speak? [pause] Does any other Member wish to speak? [pause] If no other Member wishes to speak, does the mover wish to exercise his right of reply?

Honourable Leader of the Opposition.

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

Madam Speaker, the Honourable Financial Secretary, I think on Thursday or Friday of last week, did say (not in so many words, but certainly said) that they would be looking at it. More or less it was the same thing that the Leader of Government Business has said.

Madam Speaker, I do not know how many, but I know that there are several people who have spoken to me about it, and certainly, \$500 or \$1,000 or \$2,000 saved in a time when people are finding it extremely hard in the cost of living, and in particular if you are going to build, building costs have increased. Therefore any house bought means it is going to be that much more expensive so I do not know how that could prove such a difficulty. I do not understand why you would have to worry about revenue streams even if that \$1,000 increased fifty times. You cannot worry about that, Mr. Leader of Government Business, when you are spending \$1 million on travelling and parties—not you, but the Government and some Ministries. But I take what you said and certainly will await your findings, and thank the Government for at least consideration.

The Speaker: The question is: **BE IT RESOLVED THAT the Government considers reviewing the Stamp Duty (Rates of Duty) Regulations 2006 to provide that first-time Caymanian homeowners pay stamp duty at the rate of 2 per cent on the excess of CI \$200,000.00 to a maximum of \$300,000 in relation to the new paragraph (8) (b) (i) of section 2 (i) of the Stamp Duty (Rates of Duty) Regulations 2006.**

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

Ayes.

The Speaker: The Ayes have it. Private Member's Motion No. 1/06-07 is duly passed.

Agreed: Private Member's Motion No. 1/06-07 passed.

Private Member's Motion No. 2/06-07—Standing Orders Committee

The Speaker: Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: Madam Speaker, I beg to move Private Member's Motion No. 2/06-07 standing in my name which reads:

BE IT RESOLVED THAT the Chairman of the Standing Orders Committee call a meeting as a matter of urgency to review the Standing Orders of the Cayman Islands Legislative Assembly.

The Speaker: Third Elected Member for the district of West Bay.

Mr. Cline A. Glidden, Jr.: I beg to second the Motion.

The Speaker: Private Member's Motion No. 2 . . . Is this 06/07? It says 05/06.

[Inaudible interjection]

The Speaker: Private Member's Motion No. 2/06-07 has been duly moved and is open for debate.
Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: Madam Speaker, I do not know if there is anything to debate other than to say that there needs to be revisions to the Standing Orders. I think that the Chairman ought to call a meeting on the matter because I find it more difficult every day that we sit in Parliament and go through some of the Standing Orders and see some of the things that need to be removed from the Standing Orders and some things that can be put in place to make the workings of this legislature more effective.

The Speaker: Does any other Member wish to speak?
Honourable First Official Member.

Hon. George A. McCarthy: Madam Speaker, thank you. I rise on behalf of the Government to indicate acceptance of this Motion.

Madam Speaker, in this regard I will be writing to you (as I indicated to you verbally earlier on) seeking approval for a meeting of the Standing Orders Committee to be held on Wednesday, 29 November. The focus of this meeting however will be to ascertain the best approach to be adopted in undertaking the review that is being requested.

Madam Speaker, it will be recommended during the meeting that a small committee of Members of this honourable House be appointed to review the Standing Orders' practices and procedures in other jurisdictions and to determine which of such practices should be adopted by this Parliament. The recommendations developed by this subcommittee will then be submitted for consideration to the full Committee, which will be comprised of all Members of this honourable House for consideration.

Madam Speaker, I think this is the way that this review should be approached, and it links very

much to the Government Motion that was passed earlier, transferring the responsibilities for the management of the Legislative Assembly from the Portfolio of Internal and External Affairs to you as Speaker of this honourable House.

Thank you, Madam Speaker.

The Speaker: Does any other Member wish to speak? *[pause]* If no other Member wishes to speak, does the mover wish to exercise his right of reply?
Honourable Leader of the Opposition.

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

Madam Speaker, I thank the First Official Member for his graciousness here. I did not quite catch what he said in regards to when the matter would move forward. I think he said 29 . . .

Hon. George A. McCarthy: Of November.

Hon. W. McKeeva Bush: Of November?

Hon. George A. McCarthy: Of this month.

Hon. W. McKeeva Bush: That is a bad day for me; I can say that from now, simply because it is my 32nd anniversary or 31st anniversary, whichever one.

[Laughter]

Hon. W. McKeeva Bush: But nevertheless the business of the House must go on, and certainly that would probably just be the very first sitting.

He also made mention of something in regard to the matter of autonomy for the House. If the Member is saying that the two will go hand-in-hand, I hope not, Madam Speaker, because I have intimated my concerns to you that that matter of autonomy I do not think is possible until we get constitutional changes. At least it hinges on some constitutional modernisation because of the matter of administrative responsibility, which simply cannot be passed on by the Governor.

As I said, I do not know if that is what he was saying. But, nevertheless, as I said, I thank him for his graciousness and look forward to the Committee's work and hope to participate.

The Speaker: The question is: **BE IT RESOLVED THAT the Chairman of the Standing Orders Committee call a meeting as a matter of urgency to review the Standing Orders of the Cayman Islands Legislative Assembly.**

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

Ayes.

The Speaker: The Ayes have it. Private Member's Motion No. 2/06-07 is duly passed.

Agreed: Private Member's Motion No. 2/06-07 passed.

Private Member's Motion No. 3/06-07—Revisiting Medical Insurance to Veterans, Seamen and Spouses

The Speaker: Honourable Leader of the Opposition.

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

I beg to move Private Member's Motion No. 3/06-07—Revisiting Medical Insurance to Veterans, Seamen and Spouses standing in my name, which reads as follows:

WHEREAS veterans and seamen are facing financial hardships when having to seek medical treatment overseas;

BE IT RESOLVED THAT the Government consider revising the medical insurance to veterans, seamen and spouses to include overseas medical expenses to those in need.

The Speaker: Fourth Elected Member for the district of West Bay.

Capt. A. Eugene Ebanks: Madam Speaker, I beg to second the Motion.

The Speaker: Private Member's Motion No. 3/06-07 has been duly moved and is open for debate.

Honourable Leader of the Opposition.

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

Madam Speaker, as the Motion says, veterans and seamen and their spouses are finding it most difficult if they get sick and have to go overseas to seek medical treatment. The problem of insurance is just that, a huge problem today.

The fact is that those persons who are in that category—veterans, seamen, their spouses and widows—who gave of their service to this country in various forms find it difficult because the cost is far too much for them to meet. Even when the Government offers some assistance they still are not able to meet the Government's requirements. I know that it was said to one or maybe two people that they could get a loan for some 13 per cent. It seems quite high, Madam Speaker. I do not know if they could get a cheaper loan from the bank. Certainly, if Government is going to help and they are offering a loan, it should not be 13 per cent.

I know, Madam Speaker, this was a matter that arose during the last administration and one that took quite a bit of debate and discussion. At the end of that discussion it was deemed too costly for CINICO, and therefore the insurance that the veterans and seamen had for overseas medical treatment was dropped.

Madam Speaker, I know that the Minister of Health at the time talked to the whole House about that and the costs that we were complaining about were something in the region of \$4 million or \$5 million. So, they took that decision to move on. However, in doing so and trying to lessen the impact on the general revenues of the country, the fact is that people are now in need and find themselves in need and without that assistance.

Madam Speaker, I note too that I took the blame for that recently. But that is not the reason the Motion is before the House. The reason is because there have been several veterans and seamen veterans who have spoken to me and their families in connection with this matter.

On the matter of the Government loan and 13 per cent, we have to bear in mind that these are retired people with barely little income, save only that which is given by Government. We believe that, notwithstanding the reasons given when the insurance scheme was revised by CINICO, Government must now re-look at the matter and offer some alternative to the situation at hand.

Madam Speaker, I know and I have recognised for many years that government cannot do everything when it comes to the needs of the people. However, there could be some sort of means test which could be performed, as there are instances when people need treatment that cannot be performed on the Island. Government needs to be a little bit more compassionate here, and perhaps I should say that as legislators we need to be a little bit more compassionate.

Madam Speaker, we know that insurance is costly, but the Government is more capable of absorbing the costs for medical insurance than an individual is. No one plans to be sick and most times it happens as an emergency when people are less able to cope with the cost of sickness.

Madam Speaker, we just came out of observing the Memorial Sunday (I will say simply), and we say that we respect and appreciate what the seamen and veterans have done for these Islands. Since we now recognise that what happened with CINICO is not now helping the situation, I feel that we should find a way to make it work for the people who have made a contribution to these Islands.

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

The Honourable Minister responsible for Health.

Hon. Anthony S. Eden: Thank you, Madam Speaker. I rise on behalf of Government to make my contribution and comments on the Motion brought forward by the Leader of the Opposition.

First of all, Madam Speaker, I would like to assure all Members of this honourable House that steps are being taken in an attempt to create a sus-

tainable healthcare system to serve all the residents of the Cayman Islands. I know that in this specific area that we are now looking at how best to deal with this.

Just this last weekend I had the honour and privilege to spend time in Cayman Brac with the Veterans and Seamen's Association over there. Madam Speaker, it was such a touching sight to see those seniors (many of them octogenarians, a couple of them up in their 90s) as they so proudly stood on parade in the hot sun in Cayman Brac. I also had the opportunity to spend time with them at their picnic at their own building. We certainly can take our hats off to these people. They have braved the wars, the sea, to make our Islands a better place for all of us in which to live.

A few nights ago I was at the Seafarer's Association Hall in Prospect, and I did see a picture of the Honourable Leader of the Opposition on the wall there. I know the efforts that he has put in, in assisting them. But this PPM Government has no less intentions of going forward. It was interesting to note, and he did acknowledge, that there was coverage at one time for this group of seamen. It was stopped during the last administration, and I was made to understand the reason that this came about was the skyrocketing costs of the premiums which jumped (as he alluded to) between \$4 million and \$6 million. Madam Speaker, whatever the reasoning, maybe for the cost, we need to look at addressing these difficulties.

The Cayman Islands National Insurance Company, like any other insurance company, is governed by the Health Insurance Law of the Cayman Islands. Changing the benefits of any category of persons requires an increased premium to be paid to the company. Currently the Government is paying the full premium for local coverage for all seafarers and veterans in accordance with the definition in the Health Insurance Law.

Just recently I met—and I know the staff of CINICO has met—with members of the Seamen and Veterans Association, and we discussed their concerns about the cost of providing overseas medical coverage. At our meeting it was acknowledged that there are members of the association, as alluded to by the Leader of the Opposition, who are able to pay for the additional benefit of overseas coverage and are more than willing to do so. It was also acknowledged that there are other members who simply cannot afford to pay for this benefit.

The Association gave an undertaking that they would provide CINICO with a list of members who can and cannot afford to pay for overseas coverage. CINICO is still waiting for this information. It may have come in subsequently, Madam Speaker. This was prepared a few days ago. Once this information is provided the Ministry will be able to look at resolving this matter.

In recent weeks I think a number of us legislators experienced (on different occasions) where the

need was demonstrated for this type of coverage for overseas. I do not have to say to anyone that once you have to be air ambulated, or any trauma in which you have to seek tertiary care overseas, the cost can be frightening. It can paralyse. It can bankrupt just about anyone if they do not have some coverage.

As most of us know, CINICO has been able to negotiate with re-insurers, enabling them to raise their cap. Madam Speaker, we are looking at this time at different avenues how best to provide this coverage, whether it is through catastrophic insurance (because of the volume of people involved in CINICO) and appropriating funds, whether it be into a segregated account or whatever, to help toward defraying these expenses. We have not finally decided the best way to deal with this, but I can indicate that we are seriously looking at this, discussing, because being a veteran, being an ex-seaman also, I can relate to this and I have great sympathy for these people, especially those serving in World War II and earlier, even World War I and other encounters.

Madam Speaker, one of my colleagues pointed out to me the situation which arises when some of the seamen and veterans and their spouses (and subsequent to that time when they were seamen and veterans) have separated, as to who else now benefits in this area? This is another area that we need to be looking at more closely.

In regards to the huge percentage that Government charges on their advances, Madam Speaker, I think this probably was put in place even before this Government came into . . .

[Inaudible interjection]

Hon. Anthony S. Eden: I am subject to correction. . . but I would. . . I know the Financial Secretary is responsible for this area in doing advances. It was really done, Madam Speaker, to encourage people to utilise the banks before coming and using Government as the last resort.

But, Madam Speaker as all people know, we here in this Government will give due consideration to this. We will do what is best once we as legislators know and understand the ramifications and cost of this. This situation is, I will say, for the right reason, and wherever we can help, this Government is committed to doing that.

Thank you.

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: Thank you, Madam Speaker.

Madam Speaker, I rise to give my comments on the Motion brought by the Leader of the Opposi-

tion. I would like to compliment him on this Motion and say that it is one that we all need to look into and consider seriously.

In Cayman Brac we have many people that benefit from the veterans and seamen's monthly stipends that are given out, and they also depend on what Government has arranged through CINICO for them.

Before I go any further I would also like to compliment and thank the Minister of Health, the Honourable Anthony Eden, for his visit to Cayman Brac and the time that he spent with the veterans and seamen and in the community this weekend.

I think the comments by both sides of this House have shown that this is truly a bipartisan issue and it will have tremendous support as it goes forward. What I would like the Leader of the Opposition to consider in his Motion and think about when the reply comes back, and also the Government, is that as I understand, how the insurance presently works, the hospitalisation that you have locally is a premium that is paid for and the veterans and seamen benefit from that at no charge. Where the complication really arises for the veterans, seamen and their families is that they are given an option that they can purchase overseas benefits. And if they are not able financially to purchase the overseas benefit then it falls away and the opportunity for them to be treated overseas is no longer there. It is also when they do purchase it, the ones that can afford a basic policy, the catastrophe part of that is only \$30,000.

I think the most important part of what we do as legislatures is securing the health and the welfare of not only the veterans and seamen, but the people of this country as well. If we could look into and make sure that when we analyse how we protect and satisfy the medical needs of the individuals when they go abroad, that, although they have \$30,000 worth of coverage, when a serious illness takes us (as the Minister said) we have to have an air ambulance and be taken to a hospital abroad and \$30,000 is used up very quickly.

I think it is incumbent upon us to look at this to make sure that we review the ceiling of \$30,000 because, although you have a great deal of satisfaction that you are going to be provided the way to get overseas, yourself and your family, in that case, once it goes over that ceiling you are certainly faced with financial catastrophe.

So, that is my main point for standing today to offer the compliment to the Leader of the Opposition for bringing this, and to also offer the thanks to the Minister for his reply and the show of support from both sides.

Thank you, Madam Speaker.

The Speaker: Does any other Member wish to speak?

Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker.

Madam Speaker, for quite some time this has been a most difficult situation for some reasons which are fairly obvious. As a matter of sheer numbers, simply because of the way health insurance works, when it comes to age premiums will vary tremendously. Likewise with life insurance. But in this instance we speak to health insurance.

Madam Speaker, I have to admit it was not until very recently—in fact, by coincidence, perhaps it could not have been a week before we were given notice of the Private Member's Motions—that I had an experience where constituents were coming to talk to us about specific circumstances. I was then told that they were able to acquire a loan from the Government up to a certain level but that the interest rate of the loan was 13 per cent. Madam Speaker, again, I have to tell you that I had not a clue. I, of course, told them that I would investigate and I got to understand the reasoning behind the situation, but I want to say that as Leader of Government Business that is not something that I knew that occurred.

On discovery it was learned that in the last administration, obviously when things seemed to get out of hand from the point of view of costs, the overseas coverage was stopped. Added to that, what happened, as I understand it, was that there was a Cabinet decision which decided that they would have in the budget every year a figure of \$300,000 which could be loaned out for these overseas medicals. But the thought at that time, as I understand it from the technocrats, was that in order to not encourage abuse they decided that the interest rate should be 3 per cent above what the bank interest rate was so that it would encourage people more to go to the bank. That is my understanding of it, Madam Speaker, and, hence, that is what obtains and what obtained when the Government took over. At the time, as I said, I had no idea.

Madam Speaker, understanding all of the circumstances we have some difficulty because to simply say that the Government is going to orchestrate this coverage, in the short- medium- and long-term, it is difficult to fully appreciate the ramifications because we do not know the numbers. As I understand it, how this thing works, once you are 60 you fall into this category and you are able to apply for the ex-gratia payment that the seamen get and this also includes the insurance coverage.

Now it is a wonderful benefit for these individuals. But, Madam Speaker, I am here to tell you, as I am certain I want to express to the rest of the Members—and I say that with great respect—it is really difficult when we consider the actual cost. Without us getting into the back and forth of who did what, one can understand why certain things were done previously. But we are now with a situation where I think we are saying to ourselves, 'Okay, so *that was done*' because that was the only way at the time I guess to stop the bleed, so to speak. I think that there were

some instances where the authorities were convinced that there was abuse. So, we have all of those situations to look into, meaning, whatever you try to do now you have to do it in a manner that is as seamless as possible; but at the same time you want to try to find relief for these individuals.

The situation that I spoke to that made me aware of this 13 per cent was a situation where the quotation for the treatment was, I think, either \$267,000 or \$276,000. I guess when you get to that amount there is not much difference. But either one of the two. I do not take it lightly, and I think all who have spoken have expressed how devastating that can be to any individual or family.

Now, the Leader of the Opposition made a point when he was introducing his Motion, that the government is the entity or institution best suited to absorb these costs. Madam Speaker, I will not argue the statement. But what I have to say is it is not just as simple as that. In short order, you can easily be looking at—and I have to make it with this wide window—an additional \$6 million to \$10 million a year. So, it has to be done in such a way where we must find a way to spread the costs as is the principle of insurance.

I know for a fact the Honourable Minister who has spoken on behalf of the Government has advised Cabinet, because we have discussed the matter on more than one occasion. In the immediate we have to be looking at that 13 per cent to do something. And, as I said, this was before the Motion that I found this out. So we have to look at that in the immediate to make a policy decision on that, and I think we will do that very shortly. But the bigger picture, Madam Speaker, the Minister has advised Cabinet that the CEO of CINICO has been meeting with representatives of the Veterans & Seamen's Association with a view to working together because we are trying to seek what is the best solution.

It has been intimated that there are some of these members who are prepared to pay the difference and who can afford to pay the difference. So it is probably going to take, Madam Speaker, a combination of several factors in order to make it work. I think where we are at now we are trying to determine what the number is.

Madam Speaker, if my memory serves me right, I have been advised also that the Seamen and Veterans Association actually give a certain amount of money to the Health Services Authority on an annual basis. Now I do not know exactly how that works and how they collect that, whether that is part of their dues or whatever it is. But there is also that consideration. I do not know how far that would go to help. Perhaps we might find ourselves where we take that to assist with the premiums.

So, it is going to have to be looked at to see how best we can manage the circumstances. But, as the Minister has said, suffice it to say that certainly we

will want to look at every angle possible to be able to afford some coverage.

Madam Speaker, there is also another situation which we need to bring to bear, and this is all about a mindset. Some things we simply have to be very frank about.

Madam Speaker, certain types of treatment are recommended where you have choices of jurisdictions for that treatment. In many instances—and I say this sincerely, although I quite understand, and I am going to be careful how I say it—it is all in the mind where some people choose by saying, *'I am not going to this jurisdiction because I don't want to go.'* From personal experience and from experiences that I know of, that same jurisdiction is wonderfully poised for quality treatment in certain areas. So, all of those things become difficulties because another jurisdiction may be more easily accessible, less costly, and then we have the battle of satisfying where they *want* to go. It is at best a difficult situation.

Madam Speaker, I wish to assure those affected by this, that the Government is earnestly looking into the best way to solve the problem. What I do not wish for anyone to simply expect is for, without any other consideration, the Government to simply say: *'We will simply offer this coverage. It does not matter what it costs; it does not matter how we do it; we simply have to do it.'* And just let it go. It cannot happen like that because when other things start to fall short and other objectives are not met, other commitments cannot be met, then those are the same people who will say: *'Now, what is the Government doing about this? What is Government doing about that?'*

So I simply say that to allow the Minister and his team, as they are now working along with the Seamen and Veterans Association, to look towards the most seamless solution, or solutions (as I suspect they will have to be), in order to make this happen . . . certainly the objective is going to be, Madam Speaker, to be able to reinstate the catastrophic coverage that is required.

Just to remember, quickly, the point the Second Elected Member for Cayman Brac and Little Cayman was making, Madam Speaker, puts an added burden but he is quite right. The ceiling that is used now in most instances might just get you into the door and then more problems after that. So, all of those things we really have to look at.

I must tell you, Madam Speaker, in my time I have battled with many, but this perhaps in its own right, contained within itself, is perhaps one of the most difficult that I know of because the answers are not simple. Any way you choose to try to bring about the solution has an impact somewhere else. We just have to find what corners can shoulder the impacts well enough that we can still retain stability and acquire the coverage and meet the objective.

So, Madam Speaker, thankfully the Minister of Health has already spoken and he has spoken on be-

half of the Government, advising the [Honourable Leader of the Opposition] that it is something that we are already considering and looking at because we recognise there is a need for it.

The Honourable Leader of the Opposition and I will always have our little back-and-forth fun, Madam Speaker, but I tell you truthfully—and I tell him truthfully—it is something that we recognise but know the difficulty, and we have been looking at ways and means to solve the problem. What I will say, as I said before, is that it is not one of these situations where we can simply say we accept the Motion and we are going to provide the coverage, end of story. That is the point I wish to make.

So, as usual, with him being the mover of the Motion, he will have his last little say. But I am quite certain, Madam Speaker, that the Leader of the Opposition and his colleagues understand well what the circumstances are because they faced it with their Government before. We are going to be doing our best and they have the right, if they see no results in short order, to ask questions or bring other motions. So we certainly know that it is not something that we can leave alone.

[pause]

Hon. D. Kurt Tibbetts: Madam Speaker, I am struggling to be able to sensibly discuss this 13 per cent business. I do know that it was a decision prior to this Government. What I truthfully do not know is exactly who was involved because from all indications it seemed like the Leader of the Opposition was in a similar position as me where he did not know about it either.

So I really do not know exactly where it came from, but I can assure him and the country that we are going to be looking at that because, certainly, in this day and age a government, whatever its disposition is, or whatever the objective is, cannot be putting forth a posture where whatever circumstances allow for a loan through a Government agency and the interest on that loan to be higher than the bank rate that we complain about so much. So that certainly does not really make much sense to me. As I said, we did not know about it until we learned firsthand from a specific incident and we are looking very, very carefully as to how best to work on that and we will be able to act on that one swiftly.

Thank you, Madam Speaker.

The Speaker: Does any other Member wish to speak? *[pause]* Does any other Member wish to speak? *[pause]* If no other Member wishes to speak, does the mover wish to exercise his right of reply?

Honourable Leader of the Opposition.

Hon. W. McKeever Bush: Madam Speaker, this is a very important matter and I well recall the debate surrounding it from the very outset because I was the

person who moved the motion that got the benefits in the first instance before 2001.

I appreciate what each Member has said, but I always marvel at how the Government can say they are not doing something and yet continue pell-mell down the road doing it. When I opened the debate I said that it was something that happened under the last administration which I was a part of—not that I agreed with it, I should say that. Nevertheless, it was a majority that won. And it was one that I know the Minister at the time took a lot of time to discuss and look at the parameters of it and went on it strictly, I think, on the basis of cost. But certainly he made the Opposition know. They cannot now say they did not know about what was taken place.

In fact, the government of the day, Madam Speaker, when the whole matter of insurance was set up and everything else, was standing on this side—if not where I am standing exactly, then next to where I am standing—saying that what the minister was doing was good and that his government was not supporting him.

Madam Speaker, I have been here long enough to say and to know that it is really no use in pointing fingers. I listened, they discussed it and they found a way to repeat that it was done before they took office. That is the first point I want to make.

Certainly the Opposition of the day made no effort in this House to otherwise remedy the situation, and I say they knew about it

I would say on a matter of the 13 per cent the first time I heard about it when it was brought to me by some families concerning this high percentage, if they are saying it was 3 per cent above prime then you would have to look at—

[Inaudible interjection]

Hon. W. McKeever Bush: Oh, well, above the bank rate, whatever the bank rate was at that time. So by now you would have time to do something about it to bring it in line with what you have said.

[Inaudible interjection]

[The Honourable Minister of Health rose]

The Speaker: Honourable Minister of Health.

Hon. Anthony S. Eden: Madam Speaker, if the Honourable Leader would give way just on a point of clarification. I have now been reliably informed—

The Speaker: Honourable Leader of the Opposition, will you give way on a point of clarification?

Hon. W. McKeever Bush: I have, Madam Speaker. I have sat down.

Hon. Anthony S. Eden: Thank you.

Just to indicate to the House that the 13 per cent was in October 2004 when it was first brought about, just for clarification.

[Inaudible interjection by the Honourable Leader of the Opposition]

Hon. Anthony S. Eden: In October 2004 when the directive was given for the 13 per cent.

The Speaker: Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: Do you know where it came from?

[Inaudible answer or comment from the Honourable Minister of Health]

Hon. W. McKeeva Bush: You said a while ago Cabinet.

[Inaudible comments by the Honourable Minister of Health and the Honourable Leader of the Opposition]

The Speaker: Honourable Leader of the Opposition continuing . . .

[Inaudible interjection]

Hon. W. McKeeva Bush: Madam Speaker, 13 per cent, or 3 per cent above the bank's rate, certainly I did not know anything about. And if I had, I certainly would not easily support that no matter what because it is something that we complain about, as the Leader of Government Business has said. But certainly they have time to do something about it, and they certainly have been here long enough now to do something about it if they disagree.

Madam Speaker, the Minister of Health has said that steps are being taken to having a sustainable healthcare system, and I am glad to hear that because there seems to be no end to problems in the hospital and more than what gets on the airwaves or the newspapers. A lot of things that have happened there that are detrimental to people's healthcare are not known publicly. I am glad that he has said that because he certainly needs to do something about the situation.

Madam Speaker, the Leader of Government Business has said it is not as simple that Government can absorb the costs. What I am saying is that the Government is certainly more able than a veteran who only gets an income of four or five hundred-and-something dollars per month. So, Government can find ways and means—and I have always said that we as a government must find the ways and means—to address situations when the people cannot do it themselves and you put your parameters in place such as means tests. But the fact is that Government must step in. We can cry about those things, but of

paramount importance is that the Government must take care of people's health.

Madam Speaker, where a Government can spend money on conferences like the FCCA (Florida Caribbean Cruise Association) Conference—something like \$2 million—where a government can spend \$300 million on roads and buildings, \$10 million is not too much to help people who cannot help themselves when they have catastrophe as health care.

[Inaudible interjection]

Hon. W. McKeeva Bush: Madam Speaker, the Leader of Government Business said also that it is all in the minds of people of where people want to go. I was Minister of Health for one year and I know a little bit about where the preferences of people . . . not because I had been in the Ministry for one year, but because I have been a legislator long enough—and I am a caring, concerned citizen. Even if I was not a legislator I know and deal with people on a daily basis.

The fact remains—and I said this when we were going to build a hospital—no matter how many hospitals we had built it is the Caymanians' feelings that overseas medical care is better for them and it is as the old people in West Bay say, 'it is to the *norrud* that they want to go'. It is the United States where they feel more comfortable and people want to go where they feel the most comfortable even if it does cost more, because they might not want to go to a jurisdiction with high crime rate, nor would they want to go where they have a language barrier or a jurisdiction where there is a difficulty in getting there.

When you are sick, Madam Speaker—thank God, I should say, I have not been sick like that in my life, but I have had to deal with it. I had two parents. Although I know that the Tony Thwaites Wing in Jamaica, for instance, is probably as good as you get anywhere and tremendously less costly, you cannot get people to go. I have had some who went and were satisfied; paid a whole lot less. I have a parent who refused to go. It cost a whole lot more. But you know what? With that age group, Madam Speaker, if you try to push them in the direction that they do not want to go they will end up being a whole lot sicker than usual. That is it! I am talking about that age group, but there are younger people who are sick too that still prefer to go off to the United States.

Madam Speaker, I know that it costs. I heard the discussions. But we now have to do everything possible to help the people in that category that we have taken more responsibility for than we have taken for the ordinary man on the street. While overall the Government has a responsibility for the welfare and good health of the citizens, we have taken special care for that particular group, and therefore, whether it is 13 per cent or whether it is 2 per cent, some people just cannot meet it. Some people do not have that, Madam Speaker.

I know too that they feel awful hard when they are told to sign away their land if they want a benefit, or sign away their house when they want a benefit. That is happening. They say, *'You cannot leave it for your children because your children are not helping you so you have got to do it this way. Government has to get it back.'* I do not believe that. I do not believe that.

Now, I say Government cannot help everybody. I know that. But we have to help those that are genuinely in need. Sometimes, Madam Speaker, in the Cayman of today—and I heard us debating all sorts of reasons why there is crime—but in the Cayman of today where it is so costly to live for all of us, those of us that are on a good income . . . but look at those that do not have anything how much more devastating it is. So, when they get sick, if they have a little 2 x 4 piece of land they should not be then. . . Children cannot sometimes help parents. There are those that can.

When I was Minister of Social Services I had a study conducted on the Caymanian family, and that included everything. I did not get a chance to implement it. That was in 1996. I remember it because they interviewed me as a parent on Election Day at my house. The present Minister came right in after me and took over that one and he had that study, and it was a good study.

I was told then that these children must help and Government is not going to help unless Government gets something back from them. I do not believe that. I have said that where a child is in need and nobody is helping, no matter where they come from that child has to be taken by Government and something done to assist them. Where an old person is in need then no matter if a child is doing for them or not Government has to step in and do something. I say that is what means tests are all about. That is what they are for.

Madam Speaker, I like to hear the Government say that—and whenever we raise a concern, *'Oh! That has been discussed weeks ago.'* The Government has been in office since May, and counting. I know that everything cannot be done, and they are finding that out now too because they are saying they need more time while they cuss me for having control for three years and they claim that everything went wrong and I should have done everything. They are saying they need more time than four years. And I recognise that you cannot get everything done, but some things are really available to Government.

Last but not least, Madam Speaker, I know that the people of Cayman Brac have always risen up to help themselves where they can, and, in particular, that age group has been so independent throughout their lifetime. They have been independent from the day they provided their own hospital and their own old peoples' home, and they went on and on and on. I have offered them my congratulations and assistance throughout my time at the helm of a Ministry or Gov-

ernment, if you want to say. Certainly, I know that the First Elected Member for Cayman Brac stays on top of things in Cayman Brac.

[Inaudible interjection]

Hon. W. McKeeva Bush: The two Members working together—when two people work together rather than pull against each other, more can be done. I know that they will address the problems of Cayman Brac together. I think that is what they have been doing and I congratulate them. Rather than pulling separate ways—

[Inaudible interjection]

Hon. W. McKeeva Bush: *I congratulate you too, Bobo!*

[Laughter]

Hon. W. McKeeva Bush: So, Madam Speaker, I thank the Government for accepting and I watch and wait. But I say to them that the particular matter at hand, the veterans and the seamen, cannot wait. This is not one that can wait forever. They really need to look at it, if it costs \$4 million or \$5 million then it will have to be found to assist them with the situation. There is no use us talking about other jurisdictions because I believe that would be in vain.

[Inaudible interjection]

The Speaker: The question is: **BE IT RESOLVED THAT the Government consider revising the medical insurance to veterans, seamen and spouses to include overseas medical expenses to those in need.**

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

Ayes.

The Speaker: The Ayes have it. Private Member's Motion No. 3/06-07 is duly passed.

Agreed: Private Member's Motion No. 3/06-07 passed.

Private Member's Motion No. 4/06-07—Portability of Health Insurance Benefits
(Deferred)

Standing Order 24(11)

The Speaker: Under Standing Order 24(11) the mover of this Motion is unavoidably absent, so it will be removed from this Order Paper and brought back at a later time during this Meeting.

I will entertain a motion for the adjournment of this honourable House.

Honourable Leader of Government Business.

ADJOURNMENT

The Speaker: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, craving your indulgence just so everyone can clearly understand, by law the Strategic Policy Statement has to be delivered by 1 December of every year. There are a few bills left on Business Papers for this meeting. We now have the Private Member's Motion that has been deferred. There is also a team of us who leave on Friday to go off to London to the annual Overseas Territories Consultative Committee (OTCC) meeting, and we will be gone a week. We also have to bring the new Immigration Bill, which the tidying up exercise is being done as we speak, so it is practical for us to adjourn until we come back with the Strategic Policy Statement and then we will finish the business of the House certainly that week so that we will not be tied up for Christmas during the course of that week.

Madam Speaker, I would humbly ask for the adjournment of this honourable Legislative Assembly.

One more thing—forgive me, Madam Speaker, by sheer coincidence on 1 December (already too far to change the occasion either) is the Annual Education Conference. So we would ask for the adjournment of this honourable House until Friday, 1 December, but at 11 am rather than 10 am.

Thank you.

[Inaudible interjection]

The Speaker: The question is that this honourable House do now adjourn until 11 am on 1 December. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

At 1.09 the House stood adjourned until 11 am Friday, 1 December 2006.

OFFICIAL HANSARD REPORT
FRIDAY
1 DECEMBER 2006
11.30 AM
Fifth Sitting

The Speaker: I call on the Honourable Minister responsible for Communications, Works and Infrastructure to say Prayers.

The Speaker: I have received apologies for absence from the First Elected Member for Cayman Brac and Little Cayman who is overseas on official business.

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 11.32 am

**READINGS BY THE HONOURABLE
SPEAKER OF MESSAGES AND AN-
NOUNCEMENTS**

Apologies

**PRESENTATION OF PAPERS AND OF
REPORTS**

**Strategic Policy Statement of the Government of
the Cayman Islands for the year ending 30 June
2008**

The Speaker: I recognise the Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, I beg to lay on the Table the Strategic Policy Statement of the Government of the Cayman Islands for the financial year ending 30 June 2008.

The Speaker: So ordered.

Does the Honourable Leader of Government Business wish to speak thereto?

Hon. D. Kurt Tibbetts: Not at this point in time, Madam Speaker. When the Government Motion is moved I will do so.

Thank you.

**Annual Report of the Public Service Pensions
Board 2002**

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 Annual Report of the Public Service Pensions Board 2002.

The Speaker: So ordered.

Does the Honourable Third Official Member wish to speak thereto?

Hon. G. Kenneth Jefferson: Madam Speaker, I have one more report to lay and I would propose, with your permission, to make my brief remarks after that second one.

Thank you.

The Speaker: Madam Clerk.

Annual Report of the Public Service Pensions Board 2003

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 Annual Report of the Public Service Pensions Board 2003.

The Speaker: So ordered.

Does the Honourable Third Official Member wish to speak thereto?

Honourable Third Official Member.

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

It is important, Madam Speaker, to explain why the Annual Reports that have just been tabled are outside their expected reporting dates. Prior to the year 2000, the Public Service Pensions Board did not have a full-time accountant. In 2000 the first full-time accountant was hired and had to address a backlog of accounting work. That individual left in the year 2002 and there was a period when there was no accountant on staff. The subsequent preparation in auditing of financial statements for the years ending 31 December 2001, 2002 and 2003 have since taken place, and the 2004 financial statements audit is currently underway.

I am pleased to report that the June 2005 half-year and 30 June 2006 full-year financial statements have been submitted to the Cayman Islands Audit Office for examination by the Auditor General. It is also reassuring to note that, once again, the Auditor General has issued unqualified or "clean" opinions in respect of both the 2002 and the 2003 financial statements.

Finally, Madam Speaker, I wish to make it very clear that every effort is being made to finalise the Annual Reports in respect of the years ended 31 December 2004, 30 June 2005 half-year report and 30 June 2006 full-year report as quickly as possible.

Thank you, Madam Speaker.

Cayman Islands Public Service Pensions Board Actuarial Valuation of Public Service Pensions as of January 1, 2002

The Speaker: I recognise the Honourable Third Official Member.

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

Madam Speaker, I beg to lay on the Table of this honourable House the Actuarial Valuation of the Public Service Pensions as of January 1, 2002.

The Speaker: So ordered.

Does the Honourable Third Official Member wish to speak thereto?

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

Once again, with your permission, I have two more Actuarial Reports to lay, Madam Speaker, and I would propose to give my remarks after the third one.

The Speaker: Madam Clerk.

Cayman Islands Public Service Pensions Board Actuarial Valuation of Parliamentarians Pension Plan as of January 1, 2002

The Speaker: I recognise the Honourable Third Official Member.

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

Madam Speaker, I beg to lay on the Table of this honourable House the Actuarial Valuation of Parliamentarians Pension Plan as of January 1, 2002.

The Speaker: So ordered.

Does the Honourable Third Official Member wish to speak thereto?

Hon. G. Kenneth Jefferson: Madam Speaker, I would propose to speak after the next Report is laid.

Cayman Islands Public Service Pensions Board Actuarial Valuation of the Judicial Pension Plan as of January 1, 2002

The Speaker: I recognise the Honourable Third Official Member.

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

Madam Speaker, I beg to lay on the Table of this honourable House the Actuarial Valuation of the Judicial Pension Plan as of January 1, 2002.

The Speaker: So ordered.

Does the Honourable Third Official Member wish to speak thereto?

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

Madam Speaker, the House will recall that the three Actuarial Valuation Reports of these Plans as of 1 January 2005 were submitted and tabled very recently, in fact, on 9 November 2006.

The Reports that have just been tabled—that is, the 1 January 2002 Valuation Reports—are being tabled for the sake of completeness. They do not supersede the 2005 Reports. The 2005 Actuarial Re-

ports remain the most relevant for purposes of assessing the latest financial position of the three Plans.

While the 2002 Actuarial Reports were completed some four years ago, an inaccurate description of a benefit provision under Exhibit 2 of the Parliamentarians Pension Valuation Report caused the delay in tabling of the other Reports at the same time.

An addendum, Madam Speaker, from the current actuary of the Plans has now been included in the Report (that is, the Parliamentarians Report) noting the error that involved the inaccurate description of the benefit provision.

The statement from the actuary, Madam Speaker, indicates that the error in the summary of the benefit provision had no impact on the results of that valuation.

Madam Speaker, there are no further issues of concern in respect of these 2002 Actuarial Valuation Reports, and, as I said, they have been tabled for the sake of completeness. So we now have the 2002 Reports and also the 1 January 2005 Reports in respect of the three Pension Plans.

Thank you, Madam Speaker.

QUESTIONS TO HONOURABLE MINISTERS/MEMBERS OF THE CABINET

Question No. 13

No. 13: Ms. Lucille D. Seymour asked the First Official Member responsible for the Portfolio of Internal and External Affairs and the Civil Service to say what measures are being put in place in the Portfolio of the Civil Service to ensure that locals are groomed to fill the top positions in the Civil Service, in particular the post of Chief Secretary and their deputies, Financial Secretary and their deputies, Chief Officers and their deputies, Heads of Departments and their deputies.

[Background comments]

The Speaker: Honourable First Official Member.

Hon. George A. McCarthy: The Public Service Management Law (2005) and the new Personnel Regulations, which come into effect January 2007, give unprecedented importance to succession planning within the Cayman Islands Civil Service. For the first time, succession planning will become a requirement at all levels of Government.

This means that chief officers will be responsible for developing and implementing strategies and plans to ensure they have the right staff in the right place at the right time, who are properly trained to assume key positions within their organisations—that is, their respective portfolios, ministries, departments and agencies.

Likewise, the Office of the Chief Secretary will have responsibility for advising and assisting His Excellency the Governor in succession planning for the

posts of Chief Secretary, Financial Secretary and that of chief officers, and for overseeing the implementation of succession planning government-wide. The Portfolio of the Civil Service will support the Office of the Chief Secretary and chief officers to fulfill their responsibilities for succession planning.

To support the implementation of succession planning within the Civil Service, the Portfolio of the Civil Service will be taking the lead on a number of key initiatives, beginning January 2007, including:

- Developing and implementing a skills /competencies assessment tool for the Civil Service, to enable the Government to evaluate the skills of people in the organisation and identify those employees who have the potential to ascend to the top management roles (January to June 2007);
- Developing a succession planning model and templates appropriate for use in the Civil Service;
- Developing strategies to address training and development needs, such as mentoring, formal training in leadership and supervisory skills, as well as strategies to retain current and potential staff.

A key initiative planned in this area is the development of a Civil Service College. The College will enable the Government to develop leadership and management capability within the Civil Service, and will also have an important role to play in the wider area of workforce development for civil servants at all levels. The College will provide its first courses in September, 2007, and detailed planning will begin in January 2007.

I should mention, Madam Speaker, that discussions have already commenced between the Portfolio of the Civil Service and the President of the University College of the Cayman Islands.

The initiatives as I mentioned earlier include:

- Further developing the Government Human Resources Data Base system to capture key data on employee performance, qualifications and competencies, and to track employee training and development;
- Monitoring, advising and supporting chief officers in the implementation of succession planning within their various ministries and portfolios.

It should be emphasised that the approach to be taken by the Portfolio of the Civil Service is based on the premise that succession planning cannot take place in a vacuum. It should be an intensive, comprehensive initiative, much more than a preparation of a list of names that will be tabled if someone vacates a post.

Instead, succession planning must be part of an overall planning process; one that starts with a strategic plan for an organisation and assessment of the resources needed to implement it. These resources include human resources. To achieve the strategic plan, the organisation will need people with the leadership and management skills to implement the plan.

Thank you, Madam Speaker.

Supplementaries

The Speaker: Are there any supplementaries?

Third Elected Member for the district of George Town.

Ms. Lucille D. Seymour: Thank you, Madam Speaker.

Would the Honourable First Official Member say if there are any current persons, who are not Caymanians who are in senior positions at this time, and could he state their gender as well as how long they have been there?

What will happen when this is put in place? Will they be mentoring the persons whom we assess as being promotable? What would happen to those persons who are currently not Caymanians, or what would happen in those positions currently for persons who are Caymanians who aspire to be promotable?

The Speaker: Honourable First Official Member, that is outside the original question, but if you are in a position to answer it, or you are prepared to answer it for the honourable Member, I will allow you to.

Hon. George A. McCarthy: Madam Speaker, at this time I am not able to provide the listing of such persons to the honourable Third Elected Member for George Town. But it has always been the objective of the Government to 'Caymanianise' as many of the senior positions as possible.

Madam Speaker, all of our chief officer positions at this time are held by Caymanians. The Civil Service College is now being put in place to ensure that the necessary skills and enhancements required for the development of the capacity within the service at all levels—and not only in the Civil Service, but also for the benefit of Statutory Authorities—will be available.

There will be a director appointed for the Civil Service College that will work very closely with the University College of the Cayman Islands.

As recent as yesterday, Madam Speaker, the Chief Officer designate, Mrs. Mary Rodrigues, and the President of the University College had a meeting in order to further discuss the development of the linkage between the Civil Service and the programmes that can be provided through the University College of the Cayman Islands. All of the resources that are required to ensure that development takes place across

the board will be put in place and the Government is committed to this.

The Speaker: Are there any further supplementaries?

Fourth Elected Member for the district of George Town.

Mr. W. Alfonso Wright: Thank you, Madam Speaker.

When the Public Service Management Law comes into effect in January, I wonder if the new Regulations will have any effect on the advertising process of jobs within the Civil Service, or whether that almost automatic advertising of jobs that are coming up will still be carried out.

The Speaker: Honourable First Official Member.

Hon. George A. McCarthy: Yes, Madam Speaker, the Regulations provide for positions to be advertised. Also, the law makes this a requirement at this time and it sets it out very clearly. Under section 41, "Procedures and requirements for appointment", it is set out that this is a requirement that should be complied with.

The Speaker: Are there any further supplementaries?

Third Elected Member for the district of George Town.

Ms. Lucille D. Seymour: Thank you, Madam Speaker.

I wonder if the First Official Member would say whether or not the law, in its spirit, is going to change for top positions. I noticed he used the word 'Caymanianise', and last year I asked the Acting First Official about 'Caymanianisation' of the Civil Service. So, I wonder if he would be able to say if the law's spirit will change towards 'Caymanianising' the top positions of the Civil Service.

The Speaker: Honourable First Official Member.

Hon. George A. McCarthy: Madam Speaker, the thrust and spirit of the law must be towards the 'Caymanianisation' of all senior positions, and as many positions as possible within the Cayman Islands Civil Service.

Madam Speaker, it is a very relevant question that the honourable Third Elected Member for George Town has raised because knowledge is very important and is a requirement for continuity of service. It is very important that the training and the development skills that will be provided will be to persons who have a given level of permanency within the Civil Service because this, in itself, constitutes a major investment in terms of the resources that will be committed to de-

velopment and training. Hence, Madam Speaker, that is a commitment.

The Speaker: Are there any further supplementaries?

Fourth Elected Member for the district of George Town.

Mr. W. Alfonso Wright: Thank you, Madam Speaker.

As a follow-up to my supplementary to the First Official Member, when he answered that by law these jobs must be advertised, I wonder then how is the synchronisation going to take place with succession planning when you have a succession plan but then you still advertise the job from the outside. Can that be explained as to how we expect that to work?

The Speaker: Honourable First Official Member.

Hon. George A. McCarthy: Madam Speaker, the advertising of positions takes place at two levels: In the first instance, there must be advertising of positions internally within the Civil Service. That is to give as many applicants as are prepared to move into the position being advertised the opportunity to be interviewed for such position. Madam Speaker, it is only when such expertise is not available within the Civil Service that external advertising takes place.

Another thing in terms of succession planning—as the honourable Fourth and Third Elected Members for George Town will appreciate—is that the law is a new piece of legislation and it is going to evolve; it is not something that is static. We will have to look at relevant and meaningful practices that are required in order to dovetail with the legislation, to ensure that we have got in place the most up-to-date and modern practices, and that the path we take to succession planning is the right path for ensuring that we have got persons prepared to put into key positions within the Civil Service.

One of the things we must also bear in mind, Madam Speaker, is that we have now become a very dynamic community. Once aback we could run the risk and identify one individual, or maybe two, for a given position. Now we have got some very bright shining stars within the Civil Service and they are very competent. A lot of them are coming through and we can see when the positions are being advertised that these are individuals that are stepping forward and doing an excellent job.

Quite recently we were able to fill the chief officer's position for the Ministry of Tourism through that process, and also we have got the chief officer's designate for the Portfolio of the Civil Service.

The risk that we run, Madam Speaker, in terms of identifying one person and leaving it there is that no single individual has got a gift on life. We cannot be sure how long we are going to be here or what circumstances will probably prevent us or prevent a

particular individual for, let us say, being available. So, as a result of that, training will have to take place to make sure that as many people as possible are prepared for given positions right across the entire spectrum of the Civil Service.

The Speaker: I will allow one final supplementary, but before I do that (I guess there was an oversight) someone needs to suspend the relevant Standing Order to allow Question Time to go beyond eleven o'clock.

Honourable Leader of Government Business.

Suspension of Standing Order 23(7)

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, I beg to move the suspension of the relevant Standing Order in order to allow questions to be asked after the hour of 11.

The Speaker: The question is that the relevant Standing Order to allow questions to be asked beyond the hour of eleven o'clock 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: The Third Elected Member for the district of George Town.

Ms. Lucille D. Seymour: Thank you, Madam Speaker.

As a follow-up regarding succession planning . . . briefly, Madam Speaker, before I ask my question—

The Speaker: Honourable Member, I cannot allow you to—

Ms. Lucille D. Seymour: But it would be part of the question.

The Speaker: Would you listen to me and then we can proceed with the supplementary?

Supplementary questions are supplementary questions. But because Members are new we have allowed a brief explanation at the beginning. I am asking you to make that very brief and turn it into a question please.

Ms. Lucille D. Seymour: Thank you, Madam Speaker.

Government is a great corporation, and I would ask the Honourable First Official Member if he would ensure that in this great corporation we groom our successors and not look outside firstly, or even

secondly, for such bright minds that we have in the Civil Service.

The Speaker: Honourable First Official Member.

Hon. George A. McCarthy: Madam Speaker, I can give a commitment to the honourable Third Elected Member that that is the objective. This is why we are putting in place the Cayman Islands Civil Service College, and we are taking measures to make sure that we develop skills such as the competency of individuals within the Cayman Islands Civil Service.

As I said earlier, it is only in instances where we are not able to identify persons within the Service that we look to the outside.

Question No. 14

No. 14: Ms. Lucille D. Seymour asked the Honourable First Official Member responsible for the Portfolio of Internal and External Affairs and the Civil Service to say how Government takes into account seniority of their Civil Servants in their recruitment and promotion procedures.

The Speaker: Honourable First Official Member.

Hon. George A. McCarthy: Seniority is a factor that is taken into account when recruiting and promoting staff, however the overriding consideration is merit.

The 1987 General Orders specified that when promoting officers seniority should be used only when two candidates are equal.

The present General Orders, PSC (Public Service Commission) Regulations and the new Public Service Management Law 2005 use the basis of merit for appointment, promotion or transfer of staff.

The Public Service Management Law specifies, in section 41(7) that persons shall be placed on the shortlist only on the basis of their qualifications, skills, knowledge and experience. The interview panel is to establish the preferred candidate, that being the candidate that has the best mix of qualifications, skills, knowledge and experience for the position based on –

- (i) the information provided by the applicants;
- (ii) the results of the interviews;
- (iii) the personal knowledge of the persons on the interview panel as declared to the panel;
- (iv) any other information the interview panel considers relevant,

However, where, after applying the criteria, two or more persons rank broadly at the same level, Caymanians are to be given preference.

The Speaker: Are there any supplementaries? *[pause]* If there are no supplementaries, we will move on to the next question.

Question No. 15

No. 15: Hon. W. McKeever Bush asked the Honourable Third Official Member responsible for the Portfolio of Finance and Economics to say what is the population of the Cayman Islands as of this date and what does the Government expect it to be in the next two years.

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: The latest population estimate is derived from the 2006 Labour Force Survey conducted in April-June 2006 which shows the population of Grand Cayman and the Brac to be 51,992.

Population projections are extrapolations based on the actual year-end population count from the 1989 and 1999 Population and Housing Censuses, and the labour force trends from the Labour Force Surveys conducted between 1989 and 1999, and the years after 1999 up to 2006. Projections are therefore made on year-end population levels.

In 2008, the projected year-end population is 56,471. This takes into account a projected year-end population for 2006 of 53,172.

It should be noted that the next Census is scheduled for 2009.

The Speaker: Are there any supplementaries? *[pause]* Are there any supplementaries? *[pause]* If there are no supplementaries, that concludes Question Time.

STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF THE CABINET

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

Motion to Suspend Standing Order 24(5)

The Speaker: I recognise the Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, I move the suspension of Standing Order 24(5) to allow a Government Motion to be brought to approve the Strategic Policy Statement of the Government of the Cayman Islands for the year ending 30 June 2008.

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. Standing Order 24(5) is accordingly suspended.

Agreed: Standing Order 24(5) suspended to allow a Government Motion to be brought without due notice.

OTHER BUSINESS

PRIVATE MEMBERS' MOTIONS

Private Member's Motion No. 4/06-07—Portability of Health Insurance Benefits

The Speaker: I recognise the Second Elected Member for the district of West Bay.

Mr. Rolston M. Anglin: Thank you, Madam Speaker. Madam Speaker, I wish to move Private Member's Motion No. 4/06-07 entitled "Portability of Health Insurance Benefits". It reads:

BE IT RESOLVED THAT the Government consider amending the Health Insurance Law and Regulations to ensure portability of benefits are no less favourable than those that existed prior to an employee changing employer.

The Speaker: Is there a seconder?
Third Elected Member for the district of West Bay.

Mr. Cline A. Glidden, Jr.: Thank you, Madam Speaker. I beg to second the Motion.

The Speaker: The Motion has been duly moved and is open for debate. Does the honourable mover wish to speak thereto?

Second Elected Member for the district of West Bay.

Mr. Rolston M. Anglin: Thank you, Madam Speaker. Madam Speaker, this Motion seeks to address what has been a long outstanding and troubling aspect of private health insurance coverage. The Health Insurance Law and the Regulations that apply to that particular piece of legislation clearly set out who should have mandatory health insurance coverage, and the Regulations also call for there to be some element of portability when an employee changes a job.

Madam Speaker, as we all know, the cost of health service provision is one that is material to most individuals and families. Health insurance is one of those things that you have but, quite frankly, we all hope not to have to use it, because in having to use it that would mean that we ourselves and/or one of our dependants have had some ailment for which we have had to seek medical care that is covered by our plan. We then would, depending on the health service provider and on the service, either have to pay the full amount up front or pay the deductible and then await the claim being made by the health service provider.

Madam Speaker, that earlier option where we pay the entire amount—that is, the consumer pays the entire amount and then makes the claim—has been for a long time a source of frustration for many persons. Many persons believe that once they pay their premium, they have their insurance card, and that is proof of their coverage. Once they receive medical treatment they should, at that point in time, only have to pay what would be their co-payment portion for whatever particular procedure or visit that they have had with the health service provider. As we have learned over the years that is in theory, but in reality a lot of the health service providers in the country have made the argument that for them to stay in business and for them to manage their cash flows properly they have to get some form of payment up front.

Now, Madam Speaker, when there are planned major medical needs, typically, the health insurance provider would indeed pay for their portion of the expenses that the health practitioner is charging for whatever the procedure is and that is usually in the cases of some form of surgery. The general visits to a private physician (whether it is for you or a dependant child) usually come up and are not able to be well planned and so there is that natural frustration that the consumers have felt.

Madam Speaker, the Regulations call for a person who changes employer to have an element of portability, and that is that when they are hired by the successor employer, whoever the health insurance provider is for that new employer they are obligated by the Regulations to provide you coverage but it is only at the minimum plan.

To use an example: A consumer could be working for 'Employer A', have health insurance coverage by 'Health Insurance Company A' and seek to change employment to 'Employer B', who is covered by 'Health Insurance Company B'. Let us say that person or one of his dependants has a pre-existing condition. When he commenced employment with 'Employer B' (the new employer) the new health insurance company is able to have him go back through the process of doing a physical examination and be able to deem anything that was a covered condition with 'Health Insurance Company A' a pre-existing condition and not covered, and have the person then only be able to have the minimum plan as health coverage. Then, all of a sudden, whatever the condition may be—it could be a sick child, it could be he himself or a sick spouse that was covered—the person is then left with the burden and the responsibility.

Madam Speaker, that runs contrary to what the spirit of the Cayman health insurance pool was envisioned to be when health insurance coverage was mandated by law. The spirit and the intention was that once you were a covered individual, employed within the Cayman Islands and having health insurance within the Cayman Islands, irrespective if you change jobs and have to then change health insurance provider, you would still have no less favourable coverage than

you had from the time that you entered the health insurance pool.

So, in the scenario I drew up, what this Motion is seeking to do would be that when that employee changes employment and is then covered by a new health insurance provider, whatever the benefits were under his old plan, hopefully he will be able to achieve similar benefits at his new employment.

Now, Madam Speaker, there can be occasions where one employer has a particular type of plan put together for their employees. Let us say that you worked at a company that has 100 employees. More than likely that company will have negotiated and have in place a couple of different options for those employees to have in terms of what health plan they would subscribe to and pay for. That does not mean that when that employee changes employment and goes on to another employer that that employer may necessarily have negotiated and have in place an identical health benefit plan as the old employer. I believe that is an area that will need some work to be done.

I believe that the principle and the spirit behind the law was always that if that employee still wanted to maintain that same coverage (and it might not have been within whatever the various plans that the new employer offered as coverage), certainly, the employee should still have the option of getting that type of coverage and he may have to pay for that difference. Now, that is dealing with differences in plans that have been negotiated and agreed upon from employer to employer.

Madam Speaker, what is outrageous and frustrating is the practice of health insurance providers refusing to cover individuals and/or their dependants for conditions that were covered before they changed employers. All of us as Members of this House have had the complaints. The complaints are so ridiculous. We actually have scenarios where an individual works for an employer ('Employer A') and 'Employer A' has its health insurance plan with 'Health Insurance Company A'. The employee gets a better opportunity or, for whatever reason, changes employment and goes to 'Employer B'. However, 'Employer B' uses the same health insurance company, so 'Employer A' and 'Employer B' both have 'Health Insurance Company A' as their insurance company.

This person and all of his dependants are not having any change to the health insurance provider; all they are changing is employer. Because of this gap in the Regulations, the health insurance company then utilises that, causing that person and all of his dependants to have to be re-evaluated from a medical standpoint and then not cover conditions that they were covering just the day before when that person was working with the prior employer. I do not believe that there are any of us that sit in this honourable House that would agree that that sort of practice should be allowed to continue in this country.

Madam Speaker, if we are going to have a health insurance law that forces private citizens to have to use their hard-earned money and contribute to their health insurance coverage, whether they have to contribute or not—even if you have an employer that you are in a good enough or senior enough position and your employer pays the entire thing—somebody has to pay that premium. We cannot continue to allow the health insurance providers to utilise the Regulations and say to that person and their family, *'Oh well. You were covered yesterday but because you want to change employers, you are not going to be covered tomorrow.'*

What it has done, Madam Speaker, is taken every person and/or their dependants who has any type of condition and caused them to use their existing health insurance coverage as one of—or, in fact, in a lot of instances—the key determinant as to whether or not they are willing to change jobs even though that change of jobs could be beneficial to themselves, their own career and in the long run their families. They understand that if they then are left to foot the cost for a condition for one of their children, their spouse, or themselves, at the end of the day they are not going to be any better off even if the new potential job could be beneficial to them.

Madam Speaker, it has caused a large population of our workforce to effectively become indentured servants—they have to stay where they are.

We get these complaints. People tell us, *'I cannot change jobs.'*

'Why?'

'Because if I change a job and I lose my health coverage and I am already covered for diabetes [or whatever the condition is] I run the risk of losing that coverage. I will not change my job.'

That runs contrary to the spirit of the Health Insurance Law that exists in this country. It runs contrary to the spirit of all those who paved the way and were legislators when this legislation was first passed.

Madam Speaker, there have been changes to the legislation in recent times. As I understand it, in the to-and-fro in negotiations between the Ministry responsible for health insurance and the industry, despite there being some positive changes that were made overall, this was one of those that the industry came back with what looked like a good middle ground to the legislators at the time. All of us that were here in the last class of legislators would have been here when the amendments and the Regulations that currently exist were put into effect, and we all supported it because we all thought it was a step in the right direction. However, as we know with these things, once they are assented to and people have to start living with legislation is when you start to see some of the potential trouble spots.

Madam Speaker, this is an absolute pitfall for the consumer. This is completely and wholly unacceptable. We in the country must allow people the ability to leave whatever employer they want, for what-

ever opportunity they want, without having to worry if the new employer's health insurance company will be able to drop their coverage.

[pause]

Mr. Rolston M. Anglin: Madam Speaker, in my view, of all the complaints that I have had about this, the actual worst case involved a young family: two young professionals who have three children. One of the children has a serious medical condition, serious enough that the child has to be taken overseas for medical care costing multiples of thousands of dollars per trip.

When the husband was about to change employment he made it abundantly clear to the new potential employer who was seeking to hire him that he would not leave his current job if that employer could not guarantee him that his health coverage would not be impacted. As luck would have it, his existing employer and the prospective employer both used the same health insurance company.

During the interview process he was asked, *'Who is your current health insurance provider?'* and he told the potential employer. They said, *'Oh. Well, as luck would have it, we also use that company.'* The gentleman, knowing and having heard the nightmare stories that have happened, respectfully submitted to the person who was interviewing him that while he appreciated their confidence, he wanted it in writing. As far as he was aware, the prospective new employer contacted the health insurance provider who gave verbal confirmation, yes, he would continue to be covered.

As I understand it, the employer, as part of the offer to the gentleman in writing, told him that his health insurance coverage would not be impaired and so he accepted the new job. To both parties astonishment (that is, the new employer and the gentleman) when he started up work he was sent four health insurance cards, yet it is himself, his wife and three children so he should have been sent five cards.

Upon further investigation, the health insurance provider (who was covering him and his sick child up until the last day of coverage with the old employer) was now saying, *'No, this is a pre-existing condition. We have protection in the legislation because the legislation simply mandates that we have to offer the minimum plan.'* So they exploit that provision for their own financial gain and to the detriment of the consumers. Madam Speaker, this is a very, very serious issue, and this is just an absolutely deplorable position for the consumer to be placed in by the legislation.

Madam Speaker, I think that this Motion and what it seeks to achieve is straightforward and non-controversial, and with that short contribution I await to hear other Members. I anticipate that the Government is going to accept it and we will get something done, hopefully by the next sitting of this House.

The Speaker: Does any other Member wish to speak?

Honourable Minister responsible for Health.

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

This is a very timely motion and I would like to thank the Second Elected Member for West Bay for so comprehensively setting out the scenario.

When coming back to the Ministry I was made aware of a situation similar to what the Second Elected Member for West Bay alluded to.

Private Member's Motion No. 4/06-07 regarding the portability of health insurance benefits, and the proposal to amend the Health Insurance Law and Regulations in order to ensure that portability of benefits are no less favourable than those that existed prior to the employee changing employer are matters which have been brought to my attention, Madam Speaker, as I alluded to, by a number of employees and also by the Board of the Health Insurance Commission.

Madam Speaker, Regulation 7(6) of the Health Insurance Regulations (2005 Revision) addresses the matter of portability of benefits where an employee changes employer. This was also touched on by the mover. The problem arises in certain circumstances when there is a pre-existing condition and the employee changes employer. The employee is not able to maintain the same level of enhanced health insurance benefits with the new employer's health insurance provider, which is similar to the example used by the mover.

Madam Speaker, as health insurance benefits are progressively becoming a very important part of the employee benefits package, the lack of insurance portability could possibly (and in this instance) restrict the opportunities open to an employee because of the fear of losing health insurance benefits if they should change jobs, even if the reason for moving on is in order to progress a career.

Madam Speaker, the matter of portability of health insurance benefits in regard to an employee changing employer is being fully investigated by the Government. However, this is a matter which requires consultation with all the stakeholders, employees, employers and the health insurance industry. We must also take into account the average size of an employer group that is estimated to be less than ten members, and the limited population of the Cayman Islands as this adds to the challenge of spreading the health insurance risk. Careful consideration will be given to all factors before amending the existing health insurance legislation.

The Health Insurance Commission Board has now convened a working group to review this matter and provide me with recommendations on how it can best be addressed. That same working group, Madam Speaker, is currently considering, amongst other changes, the benefits currently being offered under

the standard health insurance contract: whether a mid-range level of benefits is feasible and the provision of a conversion plan of benefits where an individual can move from a group plan to an individual plan with the same level of benefits.

Madam Speaker, I will say to this honourable House that once I get all the information on this we will bring the necessary amending legislation.

Thank you.

The Speaker: Does any other Member wish to speak? *[pause]* If not, does the mover of the Motion wish to exercise his right of reply?

Second Elected Member for the district of West Bay.

Mr. Rolston M. Anglin: Madam Speaker, I wish to thank the Honourable Minister for his commitment and I wish to thank all my honourable colleagues in this Legislative Assembly because, obviously, they are not speaking as indicative of their support.

[Inaudible interjection]

The Speaker: The question is: **BE IT RESOLVED THAT the Government consider amending the Health Insurance Law and Regulations to ensure portability of benefits are no less favourable than those that existed prior to an employee changing employer.** All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. Private Member's Motion No. 4/06-07 is duly passed.

Agreed: Private Member's Motion No. 4/06-07 passed.

GOVERNMENT BUSINESS

MOTIONS

Government Motion No. 9/06-07—Approval of the Strategic Policy Statement for the 2007/8 Financial Year

The Speaker: I recognise the Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, I beg to move Government Motion No. 9/06-07 entitled "Approval of the Strategic Policy Statement for the 2007/8 Financial Year" and with your permission I will read it. 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 Legis-

lative 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 1st 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 2007/8 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 2007/8 Strategic Policy Statement as the indicative parameters on which the 2007/8 Budget is to be formulated.

The Speaker: The Motion has been duly moved and is open for debate. Does the Honourable Minister wish to speak thereto?

Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, in accordance with the requirements of the Public Management and Finance Law, this Strategic Policy Statement (which I earlier laid on the Table) establishes the policy and financial parameters that the Government intends to use to prepare its 2007/8 Budget—that is, the budget for the financial year ending 30 June 2008. That budget will be presented to this honourable House no later than 1 May 2007.

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 which the Government intends to pursue.

You see, Madam Speaker, that detail will be contained in the Annual Plan and Estimates when they are presented on budget day. Rather, the Strategic Policy Statement outlines for consideration and approval by the Legislative Assembly the strategic parameters on which the budget will be based.

The Strategic Policy Statement is a significant document, Madam Speaker, not only because of its content but also because it marks the beginning of the Government's annual budget cycle.

Madam Speaker, if I were to assign a theme to the Strategic Policy Statement it would be "Building a Sustainable Future". Since taking office in May 2005 the PPM Government has established a clear policy direction for our first term in office. That direction is based on two factors: delivering on the commitments made in our manifesto and shaping a medium-term prospective to Government's finances.

The Government remains fully committed to delivering on its campaign promises. These include: improving the level and quality of education and health services; implementing the lessons from Hurricane Ivan; combating crime; investing in essential

road infrastructure and continuing support for the tourism and financial services sectors as the twin pillars of our economy.

Madam Speaker, the parameters which are contained in this Strategic Policy Statement reflect a continuation of the policy path established by the PPM Administration and the 11 broad outcomes established by the Government. For the 2007/08 to 2009/10 planning period covered by this Strategic Policy Statement those outcomes are:

- Deal with the aftermath and lessons from Hurricane Ivan
- Address crime and improve policing
- Improve education and training
- Rebuild the Health Services
- Address traffic congestion
- Embrace Cayman Brac and Little Cayman
- Conserve the environment
- Strengthen family and community
- Support the economy
- Open, transparent, honest and efficient public administration; and
- Sound fiscal management

This Government remains focused and committed to achieving these outcomes, and the Strategic Policy Statement document demonstrates that we have the resources available to realise significant progress on them over the next three years. The SPS (Strategic Policy Statement) is about putting resources together to build a better, stronger, more vibrant Cayman Islands.

In developing the financial targets outlined in this Strategic Policy Statement, Madam Speaker, the Government has stayed true to its commitment to sound fiscal management. This approach has involved looking at both the medium and long term while following the established fiscal strategy of fiscal responsibility, addressing the country's social and economic infrastructure needs and economic management.

The first component of the Government's fiscal strategy is achieving compliance with the principles of responsible financial management. The Government intends to do so, and this is demonstrated by the fact that our financial targets fully comply with the requirements of the Public Management and Finance Law over the next three years. An operating surplus and positive growth in the net worth balances are targeted. In addition, cash reserves are targeted to be maintained at or above required levels throughout the period, and this means that at least 75 days of cash reserves in the 2007/08 period rising to 90 days of cash reserves in 2008/09 and 2009/10. The net debt ratio is targeted to remain below the 80 per cent maximum allowed under the Public Management and Finance Law.

The key ratio, though, 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 9.9 per cent in 2009/10 which is still below the maximum limit allowed under the Public Management and Finance Law.

The second component 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 re-prioritisation, ensuring that public authorities are financially stable, undertaking new borrowing provided that such borrowing is affordable and increasing revenue wherever necessary. All of these strategies have been applied in developing the financial targets in this Strategic Policy Statement, Madam Speaker. The 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.

This Government is addressing the country's many infrastructure needs, and this document that I have tabled provides for a \$332.2 million capital development programme to address these needs and advance achievement of the broad outcomes over the 2007/08, 2008/09 and 2009/10 financial years. The programme is significant, not just because of its size, but also for the positive impact it will have on the future of these Islands.

I just want to take a second to draw reference, Madam Speaker, to the Honourable Minister of Communication and Works when he huddled with Cabinet and at caucus with the other Members on the Government Bench regarding the continuation of the Esterley Tibbetts Highway. While that project is not fully completed, it will be completed within a matter of months. Already we see the difference, and the money has been well spent.

I want to take just a second here, too, Madam Speaker, to say that when we develop the Strategic Policy Statement, and even when we develop a budget, we take all the technical advice that we possibly can and we use projected figures the best way we know how.

I want to say this: everyone—the public, the press and the Opposition included—can continue to scrutinise throughout these programmes as we go along that we do the best we can to ensure that we deliver the quality product that we wish to do and to do so under budget.

So, even when we have figures like what the Strategic Policy Statement contains today, Madam Speaker, it is always in the fore of our minds to manage along with the technocrats and our support staff all of the resources that are available in a prudent

manner, whereby we get as much value as is physically possible for every dollar that is spent.

[pause]

Hon. D. Kurt Tibbetts: Madam Speaker, the capital investment targets include allocations for the construction of previously announced capital projects including the new schools. I am not going to spend a very long period of time here, but we need to understand (when we look at the total amount of the capital development programme) when budget day arrives we will have each Minister and Official Member with full explanation as to what their capital development works and programmes will be for the subjects for which they are responsible.

In the area of new schools we will begin construction next year of the three new high schools—the one in Frank Sound, the redevelopment of the John Gray High School, the high school in the West Bay district. And sheer numbers dictate that we have to (not wish to) also rebuild the George Town Primary School.

Madam Speaker, the new Government Office Administration building, which will be situated next to the Glass House, goes out for tender the first week in January. With the raft of new legislation that has been brought by the Honourable Second Official Member, and the move towards being more efficient, more caring and more productive when it comes to the judicial system, certainly long overdue—at least 15 years overdue—is a new courts building because, simply put, the one that exists now does not allow for the functioning of the judicature.

Madam Speaker, the district of Bodden Town is, as we know, the fastest growing district. We have a new fire station and a new police station in the works, which are absolutely necessary for that district. Also, we will begin construction next year of the new civic centre. While the new one is being built the existing one will be refurbished. We would have very much liked to have had that already completed, but we had some technical problems with that refurbishment.

We thought it best, the fact that that building is 20-feet high now, to raise the building four feet so that we could end up with two stories. That is the way it is going to be done. It was just held up a bit because, at the end of the day, we could not have a two-storey building with the physically challenged not being able to get to the second floor. We have had to work out some technical details, but that is now sorted out and I think the bids are on the way as we speak.

Madam Speaker, certainly there will also be continuing improvements to the road network. The Minister of Communications and Works announced recently that very shortly we will commence the first phase of the east/west arterial road coming down from the sub-district of Newlands through straight down to the roundabout at the Tropical Gardens entrance. And I can say with confidence, because there is 'proof in

the pudding' on the West Bay peninsula, that once we get that done the same relief will be seen by all of those commuters from the eastern districts.

That, Madam Speaker, perhaps is the main road works that we can speak about at this point in time. But, certainly by the end of next year, we will also be going into your own district. By that time the Water Authority will have completed the laying of their pipes and we will be able to resurface the roads in that district, and I am certain that your constituents will be relieved.

Madam Speaker, also in the area of additional policing, assets and other projects, the capital works programme includes a new police station in West Bay. I know that you know very well, Madam Speaker, because I remember in 2001 we visited that police station ourselves and we wanted to do something about it, but that is in the works. We are also looking over that three-year period to be able to build a new police station in Cayman Brac and to move the fire station from where it exists by the Owen Roberts Airport, to be able to . . . not to move that because we will need air-dome service for the airport, but to have the main fire station located in a safe manner up on the Bluff. Perhaps, Madam Speaker, we might well look at a concept that we are looking at in the Bodden Town district and build the fire and police stations on the same property, perhaps with some central facilities for both.

Madam Speaker, I will not go into any more detail, but I just thought we would give a sampling of what the capital works programme will look like.

I know from experience that people will take the global figures over the three-year period and begin to speak to them in a frightening manner. But I want to say that we have found ourselves in circumstances with regard to prioritisation and the timing of the capital development programme. Had it been looked at from years ago and had some of these things been deemed to be priorities, perhaps we would not be faced with the circumstances that we have now. We are faced with some circumstances that, outside of physically not having the resources to do it, every one of these projects that we have is very high on the priority list and it is not just about public demands, but it is about infrastructural needs in order to sustain the economy and in order to sustain the development which drives the economy.

Madam Speaker, to finance this capital programme the Government will use a combination of cash from operating surpluses and borrowings. Over the next three years total new borrowings are expected to be approximately \$300 million. Again, this level of borrowings is affordable and responsible, and one simply has to look at the net debt and borrowing ratio compliance over the three-year forecasts for 2007 through 2010.

The Government is also committed to ensuring that it manages the finances of the country in a sustainable manner over the long term. The publica-

tion again this year of the long-run projections is yet another example of the PPM Government's commitment to responsible, open and honest government.

In developing the fiscal targets in this Strategic Policy Statement the Government updated its ten-year projections and this was done to assess the impact of its decisions on future generations of Caymanians. These projections indicate that the three-year targets in this Strategic Policy Statement will not have any detrimental affect on the Government's finances over the long term. We will be able to achieve full compliance with the principles of responsible financial management in all but two years when we are projecting very, very minor non-compliance with the borrowing ratio in 2010/11 and 2011/12 being 0.3 of 1 per cent and 0.1 of 1 per cent above the 10 per cent mandated by the Public Management and Finance Law.

Madam Speaker, this SPS does not envision the introduction of any significant revenue enhancement package over the 2007/08 to 2009/10 period. Based on the forecasts, the Government may have to introduce a relatively minor adjustment in 2009/10—but only if absolutely necessary—to ensure that the operating surplus targets are maintained and cash flow is generated to maintain the cash reserve targets and supplement the capital development programme.

I just want to interject here, Madam Speaker, to go back. If we remember, last year we said that the revenue enhancement package would be one of \$25 million and \$3 million in consecutive years, and the package was \$23 million, so there is that window. But, Madam Speaker, we will simply look at it closer to budget time to see exactly what the situation is. We have already identified many areas that need to be addressed, but we simply are going to look at them if and whenever necessary. Certainly, there will be no areas which could be considered detrimental to the consumer.

Madam Speaker—

The Speaker: Honourable Leader of Government Business, is this a convenient point to take the lunch-eon break?

Hon. D. Kurt Tibbetts: Madam Speaker, just to say to you that I can, but it certainly will not be any more than five to seven minutes before I am through.

The Speaker: Pleas continue.

Hon. D. Kurt Tibbetts: Thank you very much.

Madam Speaker, the other issue that I want to speak a little bit about—perhaps this is the best occasion short of directly to the press—is the recent announcement by the Honourable Chief Secretary of the cost of living adjustment to the Civil Service. This is yet another example of how we should not be doing business. Over the years we continue to leave alone looking at salaries—sometimes six, eight and during certain periods, ten years—and all of a sudden you

are faced with a situation that is almost untenable in order to deal with it properly.

The committee that was formed and approved by Cabinet, when looking at the necessary cost of living adjustments for civil servant salaries, reported, after considering all of the factors necessary, on the gap when making comparisons with the private sector and also looking at the consumer price index and whatever other inflationary costs that needed to be considered. Madam Speaker, at the same time, we also commissioned a Civil Service salary review because it was long overdue. That review is just about completed and we will see the results of that salary review when we do get that. Certainly, we now have a window to deal with.

In looking at the report of the committee on the cost of living adjustment, when we allowed the 4.8 per cent sometime in December last year, that was based on budgetary allocations and what could be afforded. Even taking that into consideration, Madam Speaker, the results showed that there was still between 7 and 8 per cent on any adjustments that were made which had fallen behind.

I have to say that while everybody holds to their own line of argument, and while everyone will defend their own turf, I think it is only fair of us to say today that it is timely to congratulate the Civil Service for being quite willing to work along with the Government in order to achieve what we have agreed upon.

[Inaudible interjection by the Honourable Leader of the Opposition]

Hon. D. Kurt Tibbetts: Madam Speaker, the Government has agreed for a 7 per cent cost of living adjustment to Civil Service salaries. But the way the agreement was shaped was that the Civil Service . . . first of all, that 7 per cent will be effective from 1 July 2006, and out of operating surpluses the Government will fund that cost of living adjustment through December 2006. From December on, the various Portfolios, Ministries and Departments will find the extra allocations that will be needed through 30 June 2006 out of savings from monies that are already allocated. This was the way that they were prepared to work with it when we did the 4.8, and they are now prepared, and we have all of the chief officers signing off and agreeing to remain within the targets of allocations up to 30 June 2006.

Madam Speaker, it is also important to note that in preparing the Strategic Policy Statement the target levels had been agreed upon for 2007/08, 2008/09 and 2009/10. It is also agreed, without impairing the quality of the outputs to be provided, that the targets that were set prior to the agreement will still be met and we will be able to allow for that cost of living adjustment to continue. That is very significant because it shows us that the Civil Service is with a great desire to increase and retain levels of efficiency. I think that speaks volumes for itself.

So, the only other thing to say about that, Madam Speaker, is that this Government that is supposed to be indecisive got together with representatives of the Civil Service and sorted the matter out in one day. Never been done before!

[Inaudible interjection and laughter]

Hon. D. Kurt Tibbetts: Madam Speaker, in conclusion, the 2007/08 Strategic Policy Statement presents a clear policy and financial framework for the next three years that allows the Government to continue with the important policy initiatives it has started to achieve its broad outcomes including:

- Improving and supporting the economy;
- 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 a significant capital development programme over the next three years which will see the construction of the new schools, a new government office building, a new courts facility and improvements to the road network. The capital programme will be funded by a combination of expenditure control, borrowing and new revenue measures and these are reflected in the targets. I want to reiterate, Madam Speaker, the revenue measures that we speak to are very, very small amounts compared.

The financial targets are robust and responsible. The updated long-term 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 Strategic Policy Statement shows that the Government remains focused and committed to delivering on its manifesto commitments, and it shows that the Government is continuing to manage the country's finances in a manner which is diligent, responsible and transparent.

Thank you.

The Speaker: Proceedings will be suspended until 2.30.

Proceedings suspended at 1.10 pm

Proceedings resumed at 2.30 pm

The Speaker: Proceedings are resumed. Debate continuing on Government Motion No. 9/06-07. Does any other Member wish to speak? *[pause]*

The Honourable Leader of the Opposition.

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

Madam Speaker, Government has presented the strategy that under-girds the coming budget. I would (certainly, on this side) have appreciated getting this a little bit earlier than just receiving it today when it was received in the Clerk's office on 30 November. It would have certainly given us more time to understand where the Government is coming from and some of the areas. But that did not happen.

They have also presented this in the form of a Motion. The requirements for the Policy Statement say that once the statement is laid here and has not been objected to, within two months it shall be deemed to be approved. So I, first of all, did not see the need for a statement or a Motion. Be that as it may, I guess the Government has its own aims and objectives by bringing this Motion. But we cannot do anything about it. It does not change anything.

Madam Speaker, there are several areas that give concern. We can see that the revised projected revenue is significantly down in 2006/07, and I have my doubts about some other areas connected to that. I am concerned, as the country would be, in regard to the huge borrowing and everything that is expected to get done in a short period of time.

One of the worst situations affecting our people is the very high cost of living, and there is absolutely a lack of policy to deal with that. Now, Government can very well come and tell us that there is not much they can do about it because it stems from this and that. But the fact is, there is nothing here to address it and one can see that there is significant inflation in the country. The light bill is still not getting any lower. I still see the company recording a profit for the last quarter—a significant profit,—while our light bill continues to climb. Government has not done anything about that yet. I do not know if they ever will until the time comes for another excuse about how it was done and who did it.

Madam Speaker, we have some questions and concerns. I am never one to object or vote against a budget. I believe in my many years here we only had to do that once. In fact, at that point in time we had the numbers to change the budget, so we did not really vote against it because we could change it in Finance Committee at that time. I cannot do that now. My policy has always been not to vote against a budget because, while there are things that I object to, there are many things that I support. So, it would be with what the Government is outlining here. This is not a budget but this will, as I said, under-gird the budget and the broad statements you can always support. It is not the pudding you are complaining about, but the proof is in the tasting thereof, and we will have to wait to see what will be accomplished when all the brouhaha is over.

As I said, Madam Speaker, we have questions and concerns. If the Government can answer

satisfactorily, then it would get our support; If not, then we will await to see what the actual budget will be.

From what section 23 of the Public Management and Finance Law says, they have to bring the statement not later than 1 December in each year for approval within two months, so they have until February to have this laid on the Table. If the Legislative Assembly has not within that period resolved to approve, amend or reject the statement, it shall be deemed to be approved.

I want to point out again that there was no need to bring this. In fact, I think the Leader of Government Business could have outlined it in presenting the Policy Statement. Again, they can say they wanted us to have a chance to see it, but we cannot really say much because, Madam Speaker, we only got this here this morning and it only just came to the office of the Clerk on 30 November.

All the same, Madam Speaker, if the Government accomplishes some of the things that they say without putting hardship on our people, then I will be satisfied. But, as I said, we wait and see. I will be satisfied, but we wait and see if that will happen because there is a lot more to it than just broad statements.

The Speaker: Does any other Member wish to speak?

The Honourable Third Official Member.

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

[Inaudible interjection by the Honourable Leader of the Opposition]

Hon. G. Kenneth Jefferson: Madam Speaker, I rise in support of Government Motion No. 9/06-07. The Honourable Leader of Government Business has provided this honourable House with an excellent overview of the 2007/08 Strategic Policy Statement (the SPS for short) from both a policy and a strategic perspective. I would like to outline the economic forecast, the financial forecast, and the long-run financial projections contained in the SPS.

Madam Speaker, section 3 of the SPS provides the forecast economic position of the Cayman Islands for the three-year period 2007/08 to 2009/10. These economic forecasts were prepared by the Economics and Statistics Office within the Portfolio of Finance and Economics. Due to a continued expansion of financial services, a boom in reconstruction and new housing and tourism projects after the devastation from Hurricane Ivan, the Cayman Islands economy grew by 6.5 per cent in 2005—a strong rebound when compared to 0.9 per cent growth in 2004. In comparison to the global economic growth of 4.9 per cent, the Cayman Islands were marginally ahead by 1.6 per cent. The construction sector was the key driver of the economic growth in 2005. The value of building permits increased in 2005 by 194.8 per cent

while those of project approvals also moved upward by 100.7 per cent.

In the first three quarters of 2006 the value of building permits further increased by 8.8 per cent, while the value of project approvals went up by 3.1 per cent. With the exception of a decline in bank and trust company registration and licence fees by 4.8 and 5.3 per cent respectively, the financial services industry also recorded positive growth throughout 2005, with increases in insurance company licences, mutual fund registration, stock exchange listings and new company registrations.

During the first three quarters of 2006 new companies registration increased by 20.2 per cent over the comparative period in 2005. Mutual fund registrations, captive insurance licences and stock market listings also increased by 17.4 per cent, 2.3 per cent and 18.2 per cent respectively.

Given the reconstruction work in 2005 and the recovery of stay over tourism business, the unemployment rate improved to 3.5 per cent and it further improved to 2.6 per cent in the first half of 2006. Up from a decline of 7.5 in 2004, total visitor arrivals increased by 0.7 per cent in 2005, while cruise ship arrivals increased steadily by 6.2. Although air arrivals declined by 64.6 per cent in 2005, the first nine months in 2006 have shown a recovery with an increase of 68.9 per cent.

Consumer prices rose on an average of 7 per cent in 2005, Madam Speaker, corresponding with the cost of living adjustment that the Honourable Leader of Government Business detailed a bit earlier. Consumer prices rose on an average of 7 per cent in 2005 compared to 4.4 per cent in 2004. The rise in prices resulted from higher housing costs following an acute housing shortage in the aftermath of Hurricane Ivan. However, despite higher fuel costs and mortgage rates the inflation rate declined to 0.1 per cent in the first three quarters of 2006.

The economic recovery in 2005 fueled the growth of merchandise imports by 36.4 per cent to reach \$990.4 million. As expected, these imports were dominated by capital and intermediate goods used in the reconstruction process. As the rebuilding process and the replacement of vehicles slowed down, preliminary data indicates that imports fell by 10.7 per cent in the first nine months of 2006, compared to the same period in 2005, to settle at \$664.3 million. In 2005 preliminary estimates of the current account of the balance of payments revealed a deficit of approximately CI \$606.26 million, or 31.5 per cent of gross domestic product (GDP). This result was largely influenced by the high level of imports during the year, coupled with a reduction in receipts, particularly from tourism.

Overall, Madam Speaker, the latest economic data for 2005 and the nine-month period to September 2006 continued to show that the Cayman Islands economy has rebounded from the devastation caused by Hurricane Ivan. The data that I have just outlined

also sets the foundation for the economic forecast for the next three years, which are contained in the SPS document that was tabled earlier.

[pause]

Hon. G. Kenneth Jefferson: The Economics and Statistics Office forecasts an economic growth of 3.5 per cent in 2007/08, 3.1 per cent in 2008/09 and 3 per cent in 2009/10. Employment levels are foreseen to rise from \$36,651 in 2007/08 to \$37,520 and \$38,560 in 2008/09 and 2009/10 respectively. The corresponding unemployment rate is forecasted at 3.6 per cent in 2007/08 and 3.8 per cent in both 2008/09 and 2009/10.

The inflation rate, which is highly dependent on inflation rates in the US, is forecasted at 3.5 per cent in 2007/08, 3.2 per cent in 2008/09 and 3 per cent in 2009/10. The current account of the balance of payments is forecasted at 16.4 per cent of GDP in 2007/08, 16.9 per cent in 2008/09 and 17.4 per cent in 2009/10.

Madam Speaker, as with every strategic policy statement there is the difficulty of prioritising the essential social and economic infrastructure projects and this year was no exception. The Government went to considerable lengths to ensure that the financial targets which are specified in this SPS are not only robust, affordable and sustainable over the medium and long term, but that they are also in compliance with the principles of responsible financial management. These principles are a part of the Public Management and Finance Law and their effect is to require the Government to be fiscally prudent.

Honourable Members will see from section 4 of the Strategic Policy Statement that the Government has forecasted operating revenue at \$459.7 million in 2007/08, \$480.3 million in 2008/09 and \$512.4 million in 2009/10.

Core government operating expenses are forecasted at \$440.1 million in 2007/08, \$455.1 million in 2008/09 and \$477.3 million in 2009/10. In large part, the operating costs include provisions for the new high schools which are planned to become operational during the year 2008/09, provisions for medical care of seamen, veterans, and indigents, and the Government's continued commitment to provide the Royal Cayman Islands Police with additional resources.

Madam Speaker, an operating surplus is the difference between operating revenue and operating expenses. Operating surpluses are forecasted to be \$19.6 million in 2007/08, \$25.2 million in 2008/09 and \$35.1 million in 2009/10.

On the balance sheet side, Madam Speaker, the SPS indicates that net worth, which is the difference between assets and liabilities, is targeted to increase steadily over the forecast period. Aggregate borrowing, which is the balance outstanding at the end of a particular period, is also targeted to increase

over the forecast period. However, as outlined by the Honourable Leader of Government Business, the borrowing levels remain within the limits prescribed by the principles of responsible financial management.

Net operating cash flows are targeted to remain at healthy positive levels which reflect the forecast operating surpluses and a deliberate fiscal strategy to use part of the cash surpluses to finance Government's capital programme over the next three fiscal years. This, in turn, will reduce the borrowing requirement level.

Madam Speaker, some honourable Members may very well scrutinise the capital expenditure levels proposed in the 2007/08 SPS and may very well comment on their absolute level. The affordability of any particular level of expenditure should not be commented upon by reference to the absolute level of those expenditures, but, rather, should be commented upon based on the ability of the borrower to repay those absolute levels.

In the case of Government and its 2007/08 SPS the best judge of affordability is to examine the borrowing ratio or the debt service ratio. By law (that is, by the Public Management and Finance Law) the borrowing ratio of government in any one particular year cannot exceed 10 per cent. Legally, therefore, Government cannot exceed the 10 per cent limit.

The definition of "borrowing ratio" is one that is very exacting, restrictive, or confining in the sense that it is the amount of interest repayments plus the amount of principal repayments during the course of a year, all divided by the government's revenue in that particular year. This ratio cannot be more than 0.1 or 10 per cent.

Typically, Madam Speaker, the international definition of the borrowing ratio would be restricted just in respect of the interest repayments, whereas in the Cayman Islands and in our Public Management and Finance Law, we have gone considerably further in the definition by adding the requirement that principal repayments are also to be taken into account and then added to the interest repayments. Those two combined amounts cannot be more than 10 per cent of government's revenue in a particular year. So, it is quite a restrictive and very conservative definition.

Madam Speaker, to comment on the affordability of the capital programme, we could compare the debt service ratio between the two strategic policy statements—that is, the Strategic Policy Statement for the year that will end June 2008—and we could compare that with the debt service ratios that were specified in the previous year's SPS—that is, the year that will end in June 2007.

When one looks at page 21 of the Strategic Policy Statement that was tabled earlier, we see that the borrowing ratio for 2007/08 is 7 per cent. That is certainly below the 10 per cent limit. If we had compared that with the previous SPS figure, that borrowing ratio was 9.6 per cent. So our latest position of 7

per cent is actually less than the SPS that was specified for June 2007, which was 9.6 per cent.

Again, for the fiscal year ending June 2009 we are currently estimating that the borrowing ratio will be 9.6 per cent, whereas in June when we were preparing the SPS for June 2007 we had estimated that the borrowing ratio would be 10.2 per cent. So, once again, we are, in this particular SPS, below the borrowing ratio that we had forecasted a year earlier.

When we go to the third year, the year ending June 2010, we see the borrowing ratio that we are forecasting in this SPS tabled today being shown at an estimated level of 9.9 per cent, whereas a year earlier we were estimating that the borrowing ratio would have been 10.1 per cent. So, Madam Speaker, I do believe that the borrowing ratio indicates that the absolute level of Government's capital expenditure programme is affordable and is certainly within the limits specified by the Public Management and Finance Law.

[pause]

Hon. G. Kenneth Jefferson: Madam Speaker, the SPS also indicates certain levels of cash that are necessary for compliance with the requirements of the Public Management and Finance Law. The net investing cash flows of \$129 million are targeted in 2007/08; \$126.7 million in 2008/09 and \$30.1 million in 2009/10 reflect the Government's capital expenditure programme which includes three new high schools and new government offices.

The significant decrease in investing cash flows between 2008/09 and 2009/10 simply indicates that the majority of Government's capital plans are expected to be carried out or completed by the end of the 2008/09 fiscal year. The net financing cash flows reflect the Government's anticipated borrowing programme over the period. The overall cash position is targeted to grow across the forecasted three-year period, and it reflects the requirement of the Public Management and Finance Law for Government cash reserves to be no less than 90 days of executive expenditure by 2008/09.

The targeted closing cash balance for all of the three-year period satisfies the level of reserves required by those principles of responsible financial management. Overall, the three-year financial targets indicate an affordable fiscal position over the three-year period.

Madam Speaker, the Government is like any other organisation in that its policy decisions made in one particular year can impact its finances for a number of subsequent or following years. An obvious example is borrowing which has to be repaid over the life of the loan together with interest. 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 Gov-

ernment establish financial targets, not just for the budget year that is upcoming, but also for two subsequent years. So this, in total, envisages a three-year outlook.

This necessitates at the very least, Madam Speaker, therefore that the Government operates a forecasting process with a three-year horizon, and those are the three-year targets that I have just outlined. While the three-year horizon is a significant improvement on the historical one-year outlook that used to be in the past, it is still relatively short—that is, the three-year outlook 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 year four or even year five.

In order to overcome this problem and to be assured that the financial parameters which are 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 are contained in section 5 of the SPS and are for the seven years after the three-year target period. In the case of this SPS, they cover the seven financial years ending 2011 through to 2017. The projections, therefore, taken with the three-year forecast provide a ten-year indicative fiscal track of the Government's plans. This ten-year period is long enough for the financial implications of policy decisions involving the end of the three-year target period to be fully reflected and realised.

Madam Speaker, the value of these projections is not the precise position but rather that they show the trend that they are moving towards. 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—which is the case that the SPS has indicated—would be an indication of stability.

The financial projections indicate that the three-year target track is sustainable over the ten-year projection period. The projections show a modest but growing operating surplus. 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 2010/11 and 2011/12. This borrowing track reflects the financing required to fund Government's planned capital programme over that five-year period.

It is also important to note that the projections show that after the fiscal year 2011/12 the Government's fiscal position will allow capital expenditure of at least \$26 million without borrowing any amount of money in those particular years. In other words, the capital expenditure and borrowing programme plan for the next five years still allows for future governments to have enough capacity to incur reasonable amounts

of capital expenditure over the medium to the longer term.

Further, as a result of the robust surplus projections, the outstanding balance of public debt can be reduced significantly over the projected period without severely curtailing capital expenditure. The projections show that, provided this fiscal discipline is maintained, public debt can be paid down within the ten-year projection horizon. This is a further indication of the long run affordability of the Government's planned capital and borrowing programme.

Madam Speaker, a comment was made as to the level of revenue expected for the year that will end 30 June 2007. When the original Strategic Policy Statement was put together for that year it estimated that revenue would be \$418,129,000 approximately. When we look at the 2007/08 SPS that was tabled earlier today in the House, that document contained an estimate for what would happen for the year ending June 2007, and it indicated that the revenue for that year would be \$416,523,000 and so the difference is, in my opinion, an immaterial amount of \$1.6 million.

Madam Speaker, a strong economic growth over the past year with a projected increase in employment levels and a decrease in inflation rates in 2006 confirms the resilience of the Cayman Islands economy and that it had rebounded from the devastation from Hurricane Ivan. As specified in the 2007/08 Strategic Policy Statement, the Government continues its track record of ensuring fiscal prudence and complying with financial principles as stipulated in the Public Management and Finance Law. I therefore, Madam Speaker, support Government Motion No. 9/06-07.

Thank you.

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

Second Elected Member for the district of West Bay.

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

Madam Speaker, I would like to share a few very brief comments that will give, I believe, perspective. To the man on the street what does all this mean? What does it mean when we come down here and talk about all these projection forecasts and targets? And we have all the colour codes for the budget, the targets, projections and the assumptions.

The Honourable Leader of the Opposition hit the nail on the head. How is it that we are going to try our best to ensure that people are better off?

How does this translate into better lives?

It is one thing for government to say that the economy is growing and we are going to project and achieve surplus positions and borrow certain sums of money to try to provide services to the public that they believe are important to the general good. That has to

always be weighed in the backdrop of what the position is of the average Caymanian.

Madam Speaker, when economies are slow or when economies are contracting and times generally are tough, people will not necessarily be happy. In fact, we can say they will not be happy. But when a person then feels the pinch in their own back pocket they at least can have something to relate to that makes their seeming plight understandable. There will always be a disconnect when the economy is robust, when government is achieving positive financial results, but people, when they look at their financial position, say to themselves, *'I am worse off today than I was yesterday.'* In all of this, how is it that the Government is going to try to ensure that people are better off?

We know that within our economy it is indirect tax based. You cannot turn on and off certain switches that other economies can when taxes are direct. However, we still have to look at the common components of the average family's spending and say to ourselves: What can we do to try to ensure that people's lives are better?

You see, Madam Speaker, building new schools is good. Building new roads is good. Building new airports is good. Trying to get more tourists to Cayman is good. More mutual funds registered in Cayman are good. But, if the average family is still finding it increasingly difficult to make ends meet and if parents have to spend more time away from home in order to make ends meet, are we going to achieve the long-term goals which are to ensure that the next generation is stronger than this generation?

We all know that the bedrock of any society is a strong family unit, strong households. We must try to alleviate the pressure that is out there for the average Caymanian.

Let us not kid ourselves. Caribbean Utilities Company Ltd's (CUC) bills may go down a little bit over the next three months, but we know that is only because, generally speaking, these are the cool times. We know that there has not been any relief in terms of the rental market, the costs of accommodation generally.

[Inaudible interjection]

Mr. Rolston M. Anglin: Generally speaking. And we know the cost of mortgages has not gone down.

Hon. W. McKeever Bush: Gone up. Huh!

Mr. Rolston M. Anglin: We know that is one of the primary costs of any Caymanian household.

[Inaudible interjection]

Mr. Rolston M. Anglin: There have not been any drop-offs in insurance, Madam Speaker; and we know that, generally speaking, after the experience of Hurri-

cane Ivan, people are not going to take a risk anymore, even those who took the risk and were self-insured.

[Inaudible interjections and laughter]

Mr. Rolston M. Anglin: So, Madam Speaker, you see, we have a lot of information that we have tried to digest over the last few hours. As my good friend, the Honourable Minister of Communications, Works and Infrastructure used to say, 'we need more time'.

Hon. W. McKeeva Bush: Time!

[Laughter]

Mr. Rolston M. Anglin: And, Madam Speaker, I must say that I am disappointed—

Hon. W. McKeeva Bush: I want more time!

Mr. Rolston M. Anglin: —that we are given this document, something this important . . . and the Government, at the same time, comes bearing gifts.

It is the Christmas season! The Government has come bearing gifts to the House: In one hand they have the 2007/08 Strategic Policy Statement, and in the next hand they have a motion. They want us to vote and to resolve that this be the Strategic Policy Statement that will underpin the year-ending 2008 budget.

We know in the first 'WHEREAS' of the Motion—as is in the Public Management and Finance Law section 23(1)—really, the Government does not necessarily need to have any form of vote here today. If we go two months and within that period of time basically anything happens this automatically becomes the default position.

You know, we talk about transparency and we talk about consultation, and it is funny. I would have thought that by now the PPM Government would have seen that this Strategic Policy Statement should be at the forefront of the consultative process because we are talking about making decisions for the country. The budget is the most important aspect of our lives as legislators.

[Inaudible interjection]

Mr. Rolston M. Anglin: Now, Madam Speaker, in trying to follow the document and in listening very carefully to my good friend, the Honourable Third Official Member, there were some areas that did not seem to connect. Now, some of this may be explained away logically because, by its very nature—and let me be fair and clear about this—the Strategic Policy Statement is not a budget, therefore you are not going to have all of the hallmark detail that the budget has. But one would think that you are going to have infor-

mation that when you read it and you look at the tables, it all connects and is logical.

Madam Speaker, I still am a bit unsure as to how we got from the original budgeted position for the 2007 year end to this revised budget position in terms of operating revenue. The documents that I have are the original budget and the second Supplementary Annual Plan and Estimates. Both of them contained operating revenue of some \$442 million. This revised number that I see in the Strategic Policy Statement is some \$416 million. Now, Madam Speaker, when we look at the bottom line in terms of the surplus and deficit after extraordinary activities, in the Strategic Policy Statement the number is some \$46,571,000. When you compare that to the net surplus that was projected in the forecasted financial statements, we see that is some \$32.5 million.

We also have in the Strategic Policy Statement the surplus before extraordinary items being \$48.5 million, and the surplus from operating activities in the second Supplementary Annual Plan and Estimates at some \$47.1 million. Now I presume those are the two numbers that the Honourable Third Official Member spoke to in the difference of the \$1 million that was immaterial. But unless there is some typographical error in the Strategic Policy Statement, when we look at the surplus position after extraordinary activities of \$46.571 million, it just simply does not tie across to the original budget or the second Supplementary Annual Plan and Estimates.

According to the Strategic Policy Statement, Madam Speaker, the operating expenses are going to be \$367,952,000. When we take the second Supplementary Annual Plan and Estimates, that number is \$394,951,000. One would have to presume we are going to have to add the financing expenses of \$12,631,000 to come up to right around \$407 million, which then causes there to be somewhere around a \$40 million revised reduction in operating expenses. I think that we do need to have a clearer explanation as to what has caused these numbers to have changed, and from the numbers that I have available to me these numbers have changed significantly.

[Inaudible interjection]

The Speaker: Could you give me the pages in the Strategic Policy Statement that you are referring to?

Mr. Rolston M. Anglin: Sorry, Madam Speaker, it is page 17, Table 4.

Now, Madam Speaker, the increases in revenue over the target period are 10.4 per cent, 4.5 per cent and 6.7 per cent increases respectively, which cause us to go from revised budgeted operating revenue of \$416.5 million up to \$459.7 million, increasing then to \$480.3 million and then finally for the year ended 2010, \$512.4 million in projected targeted revenue. Madam Speaker, if there is not to be any significant revenue measures, this must be natural growth.

Now, Madam Speaker, when we look at the projected assumptions we see that . . . and naturally governments have to be more conservative when we go in the time horizon beyond that three-year period, because, obviously, the longer out you go the less accurate your information is. The revenue growth assumption on page 20 is 2.5 per cent per year, and that is during the projection period, that is the year ended 2011 through the year ended 2017. Madam Speaker, this is one of the points that I was alluding to earlier when I said we do not have all of the information in front of us to see how this all plays out. When we look at Table 6, it unfortunately does not have the operating revenue, so we are not able to see the operating revenue or the operating expenses to see how this operating surplus that is there is derived.

Logically speaking, Madam Speaker, if you are projecting out revenue to increase annually by 2.5 per cent, one would naturally think that your expense profile is also going to have some of those natural increases. We fully support, for example, the pay increases given to civil servants. But we also understand that with the new schools and all the new services coming on line that are going to naturally cause this borrowing and capital expansion programme which the Government stated 18 months ago it would undertake (and thus far it is certainly pushing forward with that agenda), one would then have to conclude that your operating expenses are going to have some sort of increase.

Yet, when we look at the projected operating surplus, we see—and this is just a quick year-on-year comparison—the year ended 2011 versus the year 2012 has a healthy 9.8 per cent increase and from 2012 to 2013 we have a healthy 9.24 per cent increase. That is what I was talking about, Madam Speaker; being able to try to piece together the information that we have been given and come to logical conclusions and see information that all seems to fit within everything that we have heard thus far.

[Inaudible interjection]

Mr. Rolston M. Anglin: Madam Speaker, having just looked at this information over the last couple of hours since we got it, we are sort of left trying to piece together the logic of this information and where it all is coming from. As I said, perhaps there will be a logical explanation to all of these questions, and I would gladly give way to anyone who could explain those because that obviously would make all of our knowledge, understanding and debate on this issue much more informed and precise.

[Inaudible interjection]

Mr. Rolston M. Anglin: Yes!

And certainly, Madam Speaker, if it was explained, then we would be able to debate from a basis of common ground, common understanding. I would

be happy to give way to have these, what look to be inconsistencies on the face of it, explained.

Madam Speaker, with those few remarks I will end here. Naturally, as we have said, having just gotten this information this morning and trying to piece it together using the original budget for this fiscal year and the second Supplementary Annual Plan and Estimates (which was the most recent one) to get a good grasp of where the numbers are and where the numbers are heading that we have here in the Strategic Policy Statement has proven challenging to say the least.

We will see in about six months just how this Strategic Policy Statement is going to transcend itself into the 2008 Budget. But the most important thing, Madam Speaker, that we are certainly going to be looking for is not how the Government is projecting to borrow, build buildings, build roads, build legacies, but how it is that we are going to build the Cayman Islands and Caymanians, and ensure that people are better off, ensure as best we can that what we are doing is ultimately causing there to be stronger families so that we will have future generations that will be able to take advantage of this economic prosperity. Because, Madam Speaker, to simply build to build and then not have the people equipped and able to take advantage of that foundation would cause us to leave a legacy that is not, in my humble opinion, worthwhile.

Thank you.

The Speaker: Does any other Member wish to speak? *[pause]* Does any other Member wish to speak? *[pause]* 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 very much, Madam Speaker.

It certainly dawned on me while I was listening to the Opposition that I really needed to ask the question: Prior to this Government delivering the Strategic Policy Statement what was being delivered before then?

[Inaudible interjection by the Honourable Leader of the Opposition]

Hon. D. Kurt Tibbetts: For the format has not changed.

Hon. W. McKeever Bush: Yes it has changed.

Hon. D. Kurt Tibbetts: The methodology employed has not changed.

Hon. W. McKeever Bush: Oh yeah?

Hon. D. Kurt Tibbetts: And, by and large, the only things that have changed are the specific policies and the varying computation of figures.

Madam Speaker, before I go any further, to be very fair to all of us, I noticed the Second Elected Member for West Bay making a pretty good attempt at being fair, although that is all it was, an attempt!

[Laughter]

Hon. D. Kurt Tibbetts: Madam Speaker, let me just say that we are going to be going into Finance Committee very early next week, and the questions raised with regard to the specific figures in the Strategic Policy Statement will be discussed and explained so that Members can have the perspective that they say they do not have at this point in time.

I just want to raise one issue. The Leader of the Opposition alluded to it, Madam Speaker, when he said that revenues were down. Then the Second Elected Member for West Bay specifically spoke and tried to show a disconnection between the Annual Plan and Estimates, the second Supplementary Appropriation and the Strategic Policy Statement which we now have. He was trying to latch on to a figure of \$416 million of revenue in the Strategic Policy Statement and in the Annual Plan and Estimates, a figure of some \$442 million.

Madam Speaker, the revenue figure for the Strategic Policy Statement is basically the amount of money that the Cabinet is prepared to pay out for the outputs that are to be achieved and that is the figure that represents the \$416 million.

The global figure which the Second Elected Member for West Bay referred to takes into account what is called entity revenue, which is revenue paid in directly from the public for services rendered by the various agencies.

Madam Speaker, to make that very clear perhaps is an exercise that is not for now, but I am certain when we go into Finance Committee on Monday we will be able to discuss those figures and others, and everyone will have the clear position. There is a third Supplementary Appropriation which we will have to deal with on Monday morning.

Madam Speaker, the only point that I need to speak to at this point in time is one that the Second Elected Member for West Bay concluded with. I certainly cannot quote him verbatim, but I am going to make a decent attempt to try to paraphrase his point. His point was: what is the point to build buildings, to build out things if we do not have generations to come who are equipped to take advantage of all of the things that Government says that it needs to provide?

Now, Madam Speaker, the Second Elected Member for West Bay, when making such a statement and trying to clutch the straw which was the nucleus of his argument, totally throws aside with disregard, and perhaps impunity, the very, very serious attempts that are being undertaken by the Government when it

comes to education reform. He was at the beginning of the education conference this morning. I know he is extremely intelligent. He understood everything that was said. He understood the direction we are going. In fact, when the Minister was speaking, on occasion I noticed him and he was nodding his head. So I know that he well knows all of the things that are being done, and he knows that those are very serious attempts to equip the same people that he is talking about—which are the future of this country—with exactly that: the tools to be able to take advantage.

Madam Speaker, I know how it is, so I am not going to be unkind or make attempts to create acrimony at this point in time. Suffice it to say that this Government is not just about building out. The Government is faced with the challenge of playing catch up in almost every area possible, and that is exactly what we are doing with the resources we have available and those we project will be available.

The Second Elected Member for West Bay mentioned for quite a while in his contribution about cost of living. Madam Speaker, let me make it absolutely clear: The Government is not going to stand up and make a million excuses about what do you expect us to do about it. The Government is very conscious of what obtains and the Government—and I have to tell the truth because any government would be—continues to struggle with specific and pointed attempts to rein in that cost of living.

There are some areas which, by the very nature of the laws of supply and demand, will cause for their own adjustment to level off, such as property rentals. I am not suggesting, Madam Speaker, that we would not consider that property rentals are still not relatively high, but the Second Elected Member for West Bay is certainly misinformed to suggest that they have not gone down. The statistics show continual double digit declines in property rental rates and that all has to do with supply and demand. We knew that that is how it would be for a little while. There was nothing that could be done. And as the same build-out that they complain about takes place, then we see supply and demand tripping in and the leveling off.

But, Madam Speaker, back to the cost of living. It is not at this point in time appropriate for me to be very specific. I can assure the Second Elected Member for West Bay and his colleagues that the Government is making every attempt with what we are able to deal with to, in time, make a difference in that regard. Perhaps they both spoke about Caribbean Utilities Company Ltd (CUC), which is the usual chime, and the rentals—

Hon. W. McKeever Bush: We've got a right to!

Hon. D. Kurt Tibbetts: —and the rates. I know that as of now the negotiating team is still in the middle of that, and I would not want to compromise that circumstance. But I am sure in the very near future the Minis-

ter responsible will be able to speak to that and we will see the results.

Hon. W. McKeeva Bush: Very high!

Hon. D. Kurt Tibbetts: In the meantime it has been high for quite some time.

Hon. W. McKeeva Bush: Yeah. We can agree with you.

Hon. D. Kurt Tibbetts: Madam Speaker, again, to conclude, the Strategic Policy Statement outlines Government's objectives and the general methodology in how we are going to achieve the policy direction that we have taken. Certainly, I am glad that people appreciate the spirit of the moment and that this is not budget day.

Hon. W. McKeeva Bush: Yes.

Hon. D. Kurt Tibbetts: We need not get into specifics because the specifics are not available. When that time arrives then we can deal with it in that manner.

Madam Speaker, I am with confidence that when we go through to budget day that, by and large, we will be happy with the budget that is produced. But on behalf of the Government, let me even thank the Opposition for their contribution. I will not make any comparisons as to the quality of the contribution made by the Second Elected Member for West Bay at this point in time—

[Inaudible interjection by the Honourable Leader of the Opposition]

Hon. D. Kurt Tibbetts: —but suffice it to say that in the spirit that has been shown we will continue on. We will be meeting for Finance Committee, as I said, early next week and I am sure many of the questions will be answered.

So, Madam Speaker, having addressed just a few of the points that were raised by the Opposition, I want to say a very special thank you to the staff of the Budget Management Unit who, even under much duress and pressure, performed admirably even when we were getting antsy about meeting the deadlines. The Opposition will complain about not having received the document with much time to review. I, again, will not go there. We have all lived it. When we were there we had the same situation to deal with.

Hon. W. McKeeva Bush: Oh, you realise that now though!

Hon. D. Kurt Tibbetts: But just like we would complain, so too will the Opposition complain now. And that is the nature of the beast.

Hon. W. McKeeva Bush: I am glad you understand that something like that happened before.

Hon. D. Kurt Tibbetts: Madam Speaker, I hear the Leader of the Opposition mumbling over there. He must understand. He knows well by now that . . . I will not comment in that manner—

The Speaker: Can we just—

Hon. D. Kurt Tibbetts: —but the Leader of the Opposition fully well knows that we all understand it. It just so happens that at any given time one sits where one sits and that is the circumstance that obtains at present.

Hon. W. McKeeva Bush: Oh!

Hon. D. Kurt Tibbetts: So, Madam Speaker, I want to thank Members again and I want to again thank the staff, who were working tirelessly for a long time to meet this deadline and we look forward to—

[Inaudible interjection by the Honourable Leader of the Opposition]

Hon. D. Kurt Tibbetts: —moving on, realising the policies—

[Inaudible interjection by the Honourable Leader of the Opposition]

Hon. D. Kurt Tibbetts: —that are encompassed in the document.
Thank you.

[Laughter]

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 2007/8 Strategic Policy Statement as the indicative parameters on which the 2007/8 Budget is to be formulated.** All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. Government Motion No—Honourable Leader of Government Business . . .

[pause]

The Speaker: Government Motion No. 9/06-07 is duly passed.

Agreed: Government Motion No. 9/06-07 passed.

The Speaker: That concludes the orders of the day. I will entertain a motion for the adjournment of this honourable House.

ADJOURNMENT

Hon. D. Kurt Tibbetts: Madam Speaker, I beg to move the adjournment of this honourable Legislative Assembly until Monday morning at 10 am.

The Speaker: Can I just ask a question? Are you coming back into the House, or are you going into Finance Committee on Monday morning?

[Inaudible answer]

The Speaker: The question is that this honourable House do now adjourn until 10 am Monday morning. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. This honourable House now stands adjourned until 10 am Monday morning.

At 3.42 pm the House stood adjourned until 10 am Monday, 4 December 2006.

OFFICIAL HANSARD REPORT
MONDAY
4 DECEMBER 2006
10.32 AM
Sixth Sitting

The Speaker: I will ask the Second Elected Member for West Bay to say Prayers.

PRAYERS

Mr. Rolston M. Anglin: Let us all 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 now 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 forever more. Amen.

The Speaker: Please be seated. Proceedings are resumed.

Proceedings resumed at 10.34 am

**READINGS BY THE HONOURABLE
SPEAKER OF MESSAGES AND AN-
NOUNCEMENTS**

Apologies

The Speaker: I have received apologies for late arrival from the Honourable Minister responsible for Tourism, Environment, Investment and Commerce . . . It then says he is off Island, so I would assume it means apologies for absence and not late arrival. I have also received apologies for absence from the Honourable First Official Member responsible for Internal and External Affairs who is in a meeting with the Governor.

**PRESENTATION OF PAPERS AND OF
REPORTS**

**Financial Reporting Authority (CAYFIN) Annual
Report 2005/2006**

The Speaker: I recognise the Honourable Second Official Member responsible for Legal Affairs.

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

Madam Speaker, I beg to lay on the Table of this honourable House the "Financial Reporting Authority (CAYFIN) Annual Report 2005/2006".

The Speaker: So ordered.

Does the Honourable Member wish to speak thereto? Honourable Second Official Member.

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

Madam Speaker, briefly, to say that this is, in fact, the third such report that has been laid since the Proceeds of Criminal Conduct Law was amended to provide some sort of legislative certainty to the operation of this particular unit.

Madam Speaker, I think the Director, Mr. Lindsey Cacho, summed it up quite succinctly in his message (as evidenced on page three of the Report) where he says that the vision remains unchanged and is in accordance with the mandate under the Proceeds of Criminal Conduct Law, and that is to ensure that the financial and business sectors are free of money laundering and other related crimes.

The unit itself, the Department, has made significant progress in three strategic priorities: the enhanced reporting of information; the production of insightful and relevant intelligence reports; and, of course, appropriate dissemination of intelligence.

I think the Report itself has some very interesting and revealing statistics, as well as other comments. I certainly commend it to honourable Members of this House, members of the public, and the business sector who would certainly and understandably

have an interest in paying attention to the contents thereof.

Thank you.

Discipline for Inmates in Her Majesty's Prisons: A Review of Regulations and Practice for the Internal Discipline of Prisoners – Own Motion Investigation Report 6, Prepared by the Office of the Complaints Commissioner 22 September 2006

The Speaker: I recognise the Honourable Minister of Education in his capacity as the Chairman of the Committee for the Complaints Commissioner Office.

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

Madam Speaker, I beg to lay on the Table of this honourable House a report entitled "Discipline for Inmates in Her Majesty's Prisons: A Review of Regulations and Practice for the Internal Discipline of Prisoners." It is an Own Motion Investigation Report prepared by the Office of the Complaints Commissioner. It is dated 22 September 2006.

The Speaker: So ordered.

Does the Honourable Minister wish to speak thereto?

Hon. Alden M. McLaughlin, Jr.: No, Madam Speaker.

Special Report to the Legislative Assembly: In the matter of the Complaints Commissioner Law (2006 Revision) Written Complaint Number 85 made 1st July, 2005 and others, and the Department of Immigration–Customer Service

The Speaker: Honourable Minister of Education.

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

Madam Speaker, I beg to lay on the Table of this honourable House a Special Report to the Legislative Assembly prepared by the Office of the Complaints Commissioner entitled "Written Complaint Number 85 made 1st July, 2005 and others, and the Department of Immigration–Customer Service." It is dated 17 October 2006.

The Speaker: So ordered.

Does the Honourable Minister wish to speak thereto?

Hon. Alden M. McLaughlin, Jr.: Briefly, Madam Speaker:

"A number of complaints were filed with the Office of the Complaints Commissioner ("the OCC") against the Department of Immigration ("the Department") in relation to customer service issues. These included complaints of misplaced

files which resulted in long delays experienced by residents in general, and specifically by employers and employees in processing various applications. In some cases no progress reports could be given because files could not be located. As a result of a complaint made against the Department on 1st July, 2005 in which the complainant alleged that relevant records could not be located by the Department, the OCC found maladministration. Recommendations were made to the Chief Immigration Officer ("the CIO") on 28th October, 2005 which focused on the topics of managing customer service and records.

"A number of similar complaints were received subsequent to the OCC's recommendations to the Department. Upon investigation they were held to be well founded. However no recommendations were made as the CIO had indicated that the Department was in the process of implementing a Customer Service Centre, which would be inclusive of a website division and Call Communication Centre. The Customer Service Centre would address the issues complained about, including the lack of correct information disseminated, lack of response to correspondence and delays in responding to inquiries.

"It is the duty of the Office of the Complaints Commissioner to report to the Legislative Assembly the recommendations made and the finding that adequate action has not been taken within a reasonable time.

"Evidence from the CIO indicated that the Customer Service Centre is still in the process of creating an Implementation plan and the Call Centre is still not operational despite an initial anticipated operational date of January, 2006.

"Despite the delay in the opening of the Customer Service Centre, the Department—some on its own initiative—has implemented a number of improvements designed to improve its efficiency and continues to work toward improving its customer service. One example is the new organisation of the public area in the Main Immigration Hall. The department also has dealt with other time consuming matters such as additional meetings of the Work Permit Board and the reform of the Immigration Law."

Thank you, Madam Speaker.

Cayman Islands Monetary Authority Annual Report 1 July 2004 – 30 June 2005

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 "Cayman Islands Monetary Authority Annual Report 1 July 2004 – 30 June 2005."

The Speaker: So ordered.

Does the Honourable Member wish to speak thereto?

Hon. G. Kenneth Jefferson: Yes, thank you, Madam Speaker. I will outline the relevant highlights from the 2005 Annual Report.

Madam Speaker, in accordance with section 40 of the Monetary Authority Law and section 51 of the Public Management and Finance Law, the 2004/05 Annual Report of the Cayman Islands Monetary Authority was just laid on the Table of this honourable House. The Report covers the period 1 July 2004 to 30 June 2005, and the Report has been accepted by the Cabinet.

The fiscal year, or financial year, 2004/05 was the second full year of operational independence for the Authority. It is clear from this Annual Report that, despite challenges, the Authority continued to carry out its functions at a high standard, validating the trust that was placed in it through the granting of operational independence. In so doing, the Authority contributed significantly to the continued growth of the Cayman Islands financial services industry and to the overall economy and wellbeing of this country.

The financial statements of 30 June 2005 were prepared in accordance with International Financial Reporting Standards (IFRS) and they comply with the Monetary Authority Law. They have been certified by the Auditor General and the Auditor General has issued a clean or unqualified opinion in respect of those financial statements.

The Authority realised a net income of \$2.4 million for the reporting period. Licence fees collected totalled \$47 million, which represented some 98 per cent of the amount forecasted. Total assets of the Authority as at 30 June 2005 were \$92.9 million and that included currency reserve assets of \$90.2 million.

The Authority's net income of \$2.4 million was transferred to the General Reserve. In addition, \$0.28 million was transferred to the Paid-up Share Capital Reserve at the end of the fiscal year, bringing the General Reserve account to \$10.9 million, in order to comply with section 1 of the Monetary Authority Law. This section stipulates that during the reporting period licensing and registration activity varied from industry to industry, with the captive insurance and mutual funds sector demonstrating the most growth.

The number of captive licences increased by 7 per cent from 663 at 30 June 2004 to 709 as at 30 June 2005. The number of mutual funds grew from a total of 5,399 as at 30 June 2004 to 6,527 funds at 30 June 2005.

In the banking sector the total number of banking and trust licences declined by 22 to 312. This was due mainly to consolidations worldwide. However, the assets and liabilities of licencees increased. Total international assets booked through banks in the Cayman Islands stood at US \$1.265 billion as at 30 June 2005, and liabilities totalled \$1.25 billion as at

the same date. The number of trust licences fell by one, from 147 as at 30 June 2004, to 146 as at 30 June 2005.

The Authority continued its ongoing efforts to enhance its regulatory regime. The task forces covering banking, insurance, investments and securities and fiduciary services completed their review of the financial sector legislation and the way in which the Authority carries out its supervisory functions.

Much work was done on the preparation and issuance of five new and one amended statements of guidance covering measures for banks, trust companies and for the investments and securities sector. The Authority also revised the Interim Regulatory Handbook and added six new sections to it, including the Enforcement Manual, which describes the policies and procedures for the Authority's exercise of its enforcement powers in the event of non-compliance with the regulatory laws.

Between 1 July 2004 and 30 June 2005, enforcement activity by the Authority resulted in two revocations, five instances of appointment of controllers and two other enforcement actions against regulated entities.

The Annual Report also notes the Authority's commitment to elevating the Cayman Islands' status as a respected jurisdiction through active involvement in international regulatory organizations. This involvement also enables the Authority to keep abreast of international regulatory developments and helps to give the Cayman Islands a voice in the development of new standards.

The Authority completed negotiations and signed bilateral Memoranda of Understanding (MOU) between itself and regulators in Bermuda and the Isle of Man jurisdictions, and the multilateral MOU with nine Caribbean regulators to cover cross-border supervision arising out of the creation of FirstCaribbean International Bank. It also entered a cooperative undertaking with the US Securities and Exchange Commission and agreed to participate in the International Monetary Fund's Information Framework Initiative. Under the Information Framework, aggregate statistical information is supplied to the IMF. This facilitates the dissemination of global financial sector data.

The Authority further carried out its cooperative mandate by processing 101 requests for assistance from overseas regulatory authorities, and its money laundering reporting officer filed 17 suspicious activity reports with the Financial Reporting Authority.

The Authority undertook initiatives to enhance its operational efficiency. It developed a strategic plan, incorporating its mission and goals to guide its ongoing development. Groundwork was laid for the upgrade of the information management system and for an electronic filing system for funds regulated under the Mutual Funds Law. The Authority also adopted a business/continuity disaster recovery plan, and at June 2006 was in the process of implementing that plan.

Once again, Madam Speaker, the Authority's financial statements have received a clean or an unqualified opinion from the Auditor General.

Madam Speaker, I made a mistake earlier when I was describing the volume, or the level, of assets booked through the Cayman Islands banks. It stood at US \$1,265 billion as at June 2005, and the liabilities were US \$1,250 billion as at that same date.

Madam Speaker, once again, the financial statements contained within the Annual Report, just tabled, received an unqualified opinion from the Auditor General.

Thank you.

The 3rd Supplementary Annual Plan and Estimates for the Government of the Cayman Islands for the Financial Year Ending 30 June 2007

The Speaker: I recognise the Honourable Third Official Member.

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

Madam Speaker, I beg to lay on the Table of this honourable House the "3rd Supplementary Annual Plan and Estimates for the Government of the Cayman Islands for the Financial Year Ending 30 June 2007."

The Speaker: So ordered.

Does the Honourable Member wish to speak thereto?

Standing Order 67(1)

Hon. G. Kenneth Jefferson: Thank you, Madam Speaker, just briefly.

In accordance with Standing Order 67(1) (as shown on the Order Paper, Madam Speaker) the 3rd Supplementary Annual Plan and Estimates that have just been laid on the Table stand referred to Finance Committee. As the 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 that is connected thereto.

The Speaker: The 3rd Annual Plan and Estimates for the Government of the Cayman Islands for the Financial Year Ending 30 June 2007 stands referred to the Finance Committee.

Standing Order 67(2)

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

Madam Speaker, I was, with your permission, going to move that the Finance Committee approve the Supplementary Appropriations set out in section 9 of the Supplementary Annual Plan and Estimates that have just been tabled on the Table of this honourable

House, and I make that pursuant to Standing Order 67(2).

The Speaker: The motion stands referred to the Finance Committee.

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

Report of the Standing Business Committee for the Second Meeting of the 2006/07 Session

The Speaker: I recognise the Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, I beg to lay on the Table of this honourable House the Report of the Standing Business Committee for the Second Meeting of the 2006/07 Session.

The Speaker: So ordered.

Does the Honourable Leader of Government Business wish to speak thereto?

Hon. D. Kurt Tibbetts: No, Madam Speaker, the Report itself is self-explanatory.

QUESTIONS TO HONOURABLE MINISTERS/MEMBERS OF THE CABINET

Question No. 16

No. 16: Hon. W. McKeever Bush asked the Honourable Minister responsible for the Ministry of Education, Training, Employment, Youth, Sports and Culture to say whether –

- (a) the persons who lost their jobs at Divi Tiara Beach Resort in Cayman Brac have found new ones; and
- (b) what has Social Services done to help.

The Speaker: Honourable Minister of Education, before you reply, I would just like to let the Leader of the Opposition know that part (b) of your question has been addressed to the Honourable Minister responsible for Social Services, so the Minister of Employment will not be answering that part of the question.

Honourable Minister of Education.

Hon. Alden M. McLaughlin, Jr.: Madam Speaker, the answer:

- (a) The records from the Department of Employment Relations indicate that 36 persons were employed at the Divi Tiara Beach Resort in Cayman Brac, two (2) of whom are still employed there in a part-time capacity. Nineteen persons have found new employment, with 18 of these still employed in Cayman Brac. Three (3) former employees have left the

Cayman Islands altogether, whilst one (1) former employee is currently seeking employment in Grand Cayman. One (1) other former employee is on extended vacation, which leaves 12 still on Cayman Brac without employment.

In addition to the ongoing assistance provided by the resident member of the Department of Employment Relations, a senior labour inspector has visited the Brac on four (4) occasions subsequent to the closure of the Divi Tiara Beach Resort, in order to further assist unemployed persons with finding new positions.

All former employees have been advised as to their rights under the Labour Law. Two senior staff from the Department of Employment Relations, along with a senior member of the National Pensions Office, also accompanied the Honourable Leader of Government Business to a meeting with the former employees on the 15th September 2006. This offered all concerned a further opportunity to air any grievances and concerns.

In response to this situation, the Department of Employment Relations has put in place a number of additional initiatives to assist former employees in finding new positions. These include:

- Particular scrutiny of work permit waivers to employers in the Brac have been in order to ensure that any vacant position could not be filled by any of the displaced employees;
- Working with major employers in Grand Cayman to secure opportunities for the displaced Divi Tiara employees, as new employment opportunities may be limited in the Brac.

The Department of Employment Relations is continuing to monitor this situation and will provide any assistance that it can on an ongoing basis.

Having ensured that all former employees had the opportunity to raise any pension concerns with the National Pensions Office, I would also like to assure this House that all payments due to the pension plan on behalf of these employees were paid in full.

Supplementaries

The Speaker: Are there any supplementaries? *[pause]* Are there any supplementaries?

[Inaudible comment by the Honourable Leader of the Opposition]

The Speaker: Honourable Leader of the Opposition.

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

Can the Honourable Minister say whether [or not] he knows where the 19 persons have found new employment?

The Speaker: Honourable Minister responsible for Education, Training, Employment, Youth, Sports and Culture.

Hon. Alden M. McLaughlin, Jr.: Madam Speaker, I do not have details of every specific individual and where they are actually working, but I know they have gotten employment at Brac Reef Beach Resort and at Resort Divers, I believe is the other place that I am aware of that some of them have been employed.

The Speaker: Are there any further supplementaries?

Honourable Leader of the Opposition.

Hon. W. McKeever Bush: Can the Minister say whether or not he knows how many are at the Brac Reef Beach Resort and how many went to Resort Divers?

The Speaker: Honourable Minister responsible for Employment.

Hon. Alden M. McLaughlin, Jr.: No, Madam Speaker, I do not have that level of detail.

The Speaker: Are there any further supplementaries? *[pause]* If there are no further supplementaries, we will move on the next item in the Orders of the day.

The Clerk: Statements by—

[Inaudible interjection]

The Speaker: One moment please, Madam Clerk.

[pause]

The Speaker: The Honourable Minister has the answer to part (b) of this question, but I was not aware of it and it is not on the Order Paper because his name does not appear on the Order Paper to give a reply to a question. The only Minister's name on the Order Paper is the Minister of Education.

Hon. W. McKeever Bush: Madam Speaker, I am sure that you have enough discretion to allow the Member to answer the question since the question has been posted on the Order Paper. While his name might not have been on that, you definitely knew, as you pointed it out. And, certainly, it could have been changed. I am certain that discretion enough falls within your power to allow him to do the question.

The Speaker: Honourable Leader of the Opposition, I know what my discretion is—

Hon. W. McKeever Bush: You have enough.

The Speaker: —in this position. I knew that when part (b) of the question was sent to the Glass House. It was sent back here and the officers here sent it to that Ministry. I was not aware that that Minister was giving a reply this morning. I do not know if the Clerk was.

Hon. W. McKeeva Bush: Well, you said so.

The Speaker: I said that it had been sent to him to be replied to, I did not say that it was going to be replied—and I am not getting into any argument with any Member.

The Honourable Minister—

[Inaudible interjection by the Honourable Leader of the Opposition]

The Speaker: —will have the question put down on the Order Paper for the next meeting on Wednesday.

Madam Clerk, let us move on to the next item, please.

Hon. W. McKeeva Bush: I am sure you mean the next sitting, Madam Speaker.

The Speaker: Thanks for the correction. I do know the definitions but, you know, when people are trying to be so . . . Anyway, Madam Clerk, would you please move on?

[Laughter]

STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF THE CABINET

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

That concludes the Orders of the day. Honourable Leader of Government Business, I will entertain a motion for the adjournment of this honourable House until the completion of Finance Committee's meeting.

ADJOURNMENT

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker.

Madam Speaker, I beg to move the adjournment of this honourable House until the completion of the business at hand of Finance Committee.

The Speaker: The question is that this honourable House do now adjourn until the completion of the business of the Finance Committee. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. This honourable House now stands adjourned.

At 11.02 am the House stood adjourned until the conclusion of the Standing Finance Committee.

OFFICIAL HANSARD REPORT
WEDNESDAY
6 DECEMBER 2006
12.11 PM
Seventh Sitting

The Speaker: I will ask the Fourth Elected Member for the district of 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 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 12.12 pm

**READINGS BY THE HONOURABLE
SPEAKER OF MESSAGES AND AN-
NOUNCEMENTS**

Apologies

The Speaker: I have received apologies for absence from the Honourable Minister of Health, who is away on official business from 5 to 8 December, the Hon-

ourable Minister responsible for Tourism, Environment, Investment and Commerce, and the First Elected Member for Cayman Brac and Little Cayman.

**PRESENTATION OF PAPERS AND OF
REPORTS**

**Report of the Standing Finance Committee on the
3rd Supplementary Annual Plan and Estimates for
the Government of the Cayman Islands for the fi-
nancial year ending 30 June 2007**

The Speaker: I recognise the Honourable Third Official Member.

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

Madam Speaker, I beg to lay on the Table of this honourable House the Report of the Standing Finance Committee on the 3rd Supplementary Annual Plan and Estimates for the Government of the Cayman Islands for the financial year ending 30 June 2007.

The Speaker: So ordered. Does the Honourable Third Official Member wish to speak thereto?

Hon. G. Kenneth Jefferson: Yes, thank you, Madam Speaker, I wish to make some brief remarks.

Madam Speaker, Finance Committee met on Monday, 4 December to consider the 3rd Supplementary Annual Plan and Estimates for the Government's financial year that will end 30 June 2007.

Because those Estimates stood referred to the Committee, I also moved the motion in the Legislative Assembly that the Committee approve the Supplementary Appropriation requests that were set out in section 9 of the 3rd Supplementary Estimates that were tabled. The Committee approved those Supplementary Appropriations set out in section 9 of the Supplementary Estimates.

The Committee also agreed today, Madam Speaker, 6 December, that the Report just tabled be the Report of the Finance Committee on the 3rd Supplementary Annual Plan and Estimates for the Government of the Cayman Islands for the financial year ending 30 June 2007.

Thank you, Madam Speaker.

The Stamp Duty (Rates of Duty) (No. 2) Regulations, 2006

The Speaker: I recognise the Honourable Third Official Member.

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

Madam Speaker, I beg to lay on the Table of this honourable House The Stamp Duty (Rates of Duty) (No. 2) Regulations, 2006.

The Speaker: So ordered. Does the Honourable Third Official Member wish to speak thereto?

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

The Stamp Duty (Rates of Duty) (No. 2) Regulations, 2006, seeks to amend the Schedule of The Stamp Duty Law (2005 Revision) by deleting "10 cents" from paragraph (a) beneath the heading "BILLS OF EXCHANGE" and substituting "25 cents".

The subject matter of the Regulations just tabled is stamp duty on cheques. Banks will be required to collect an additional 15 cents in respect of cheques requested by and provided to their customers. This increases the duty to 25 cents per cheque.

When the 2006/07 Budget was presented in April of this year, some of the revenue measures proposed, and subsequently approved, affected stamp duty rates. The duty on cheques is linked to the local postage stamp rate, and when that rate was increased to 25 cents the stamp duty on cheques should have been increased at the same time, but this did not occur due to an administrative oversight.

Stamp duty on cheques, Madam Speaker, has not been increased since 2001. The Regulations just tabled are subject to a negative resolution and would come into effect if there is not a successful attempt to negate those Regulations.

Thank you, Madam Speaker.

QUESTIONS TO HONOURABLE MINISTERS/MEMBERS OF THE CABINET

Suspension of Standing Order 23(7)

The Speaker: The question is that Standing Order 23(7) be suspended in order to allow Question Time to go beyond the hour of eleven 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 questions to be asked after 11 am.

The Speaker: I recognise the Third Elected Member for the district of George Town.

Ms. Lucille D. Seymour: Thank you, Madam Speaker.

Question No. [4] to the Honourable [pause] Second Official Member — First Official Member . . .

The Speaker: Honourable Member, your question was addressed to the Second Official—

Ms. Lucille D. Seymour: To the Second—

The Speaker: Just one moment.

Ms. Lucille D. Seymour: Yes.

The Speaker: The Second Official Member, but in the answer I am sure that the First Official Member will say why he is answering the question and not the Second Official Member.

Ms. Lucille D. Seymour: Thank you, Madam Speaker.

Question No. 17

No. 17: Ms. Lucille D. Seymour asked the Honourable First Official Member responsible for Internal and External Affairs to say what are the factors which have impacted the recruitment and retention of Caymanian attorneys in the Civil Service.

The Speaker: I recognise the Honourable First Official Member.

Hon. George A. McCarthy: Madam Speaker, this question was initially asked of the Honourable Attorney General, however, as this is a Civil Service matter, I have undertaken to respond.

I would like to give you some background to the recruitment process of attorneys before I answer the question. The Public Service Commission does not deal with the recruitment of staff to the Portfolio of Legal Affairs, for whom legal qualification is required, as this is the responsibility of the Attorney General. The Portfolio of the Civil Service undertakes the administrative task of advertising, and an officer from the Portfolio of the Civil Service usually sits on the interview panel.

Madam Speaker, first let me deal with the primary factors affecting recruitment of Caymanian attorneys, remuneration and the type of experience required.

1. Firstly, remuneration. Every attempt must be made to ensure comparability in salary package between the public and private sector. This will ensure that attorneys choosing to work within the public sector are not economically disadvantaged in comparison to their private sector counterparts.

2. Secondly, the Portfolio of Legal Affairs requires experienced seasoned attorneys, who have spent a substantial amount of time doing civil and criminal advocacy work. This will ensure that they are of the right calibre to meet the work requirements of the Legal Department while at the same time continuing to broaden their experience; thus not only finding their work as being challenging, but also rewarding.

3. Another factor is promotional opportunity which affects the retention of staff. The Portfolio of Legal Affairs continues to support the training and development of Caymanian attorneys. In fact, some Caymanian staff attorneys have gone from Crown Counsel II to Senior Crown Counsel in about five years. This is quite a significant promotional opportunity.

The Portfolio of Legal Affairs has recently restructured, which has created additional positions thus broadening the scope for further promotional opportunities.

Madam Speaker, in summary these are the primary factors which have impacted the recruitment and retention of Caymanian attorneys in the Civil Service. These factors can be summarised as follows:

- a) Comparability in remuneration package and benefits with the private sector;
- b) Challenging and rewarding work experience thus providing opportunities to grow and develop one's expertise; and
- c) Promotional opportunities.

Supplementaries

The Speaker: Are there any supplementaries?

Third Elected Member for the district of George Town.

Ms. Lucille D. Seymour: Thank you, Madam Speaker.

Would the Honourable First Official Member say whether or not, according to his records, there are any Caymanians of that calibre of which he spoke, or have that experience outside of the Civil Service, which we could offer some inducements to ensure that the Legal Department is eventually 'Caymanianised'?

The Speaker: Honourable First Official Member.

Hon. George A. McCarthy: Madam Speaker, according to the Honourable Attorney General, he is of the view and would agree with the honourable Members that there are quite a number of qualified Caymanian attorneys outside of the Legal Department, but there has not been any direct approach that has been made in this regard to move from the private sector into the public sector.

The Speaker: Are there any further supplementaries?

Third Elected Member for the district of George Town.

Ms. Lucille D. Seymour: Thank you, Madam Speaker.

Could the Honourable First Official Member with responsibility for Internal and External Affairs work with the Attorney General in order to ensure that there is some form of feasibility study to capture some of those persons who fall into the category to which they speak?

The Speaker: Honourable First Official Member.

[Inaudible comments in background]

Hon. George A. McCarthy: Madam Speaker, at this time there is a review that is under way of salaries within the Civil Service. This is being carried out by the Hay Consultancy Group. The initial draft report has been submitted to the Portfolio of the Civil Service; it is currently being reviewed. It has not been submitted to Cabinet as yet. But that will look at the remuneration that is paid to attorneys in general, and also across the various professional bands within the Civil Service as a whole.

What must be borne in mind, Madam Speaker, is that what is important is that it is not absolutely necessary for every Caymanian attorney—let us say, for example, the Attorney General's office—to be necessarily 'Caymanianised' 100 per cent. What is important about the qualified Caymanian attorneys who are available in the Cayman Islands is that they are either in the private sector or the public sector and that the country as such is benefiting from their expertise.

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 First Official Member state how many Caymanians we currently have in the Department?

The Speaker: Honourable First Official Member.

Hon. George A. McCarthy: Madam Speaker, I crave your indulgence to get this information from the Honourable Attorney General. *[pause]*

Madam Speaker, according to the Honourable Attorney General, there are three Caymanians who are qualified attorneys, and there are three articulated clerks.

In anticipation of the next question, the staff complement of the Department is 13.

The Speaker: You cannot anticipate.

I will allow one more supplementary. Are there any further—

Third Elected Member for the district of Bodden Town.

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

Could the First Official Member indicate what is the process used for the development of these individuals to go on to become magistrates or judges in the jurisdiction?

The Speaker: Honourable First Official Member. That is a bit outside the original question but—

Hon. George A. McCarthy: Madam Speaker, I would be straying *[laughter]* quite widely, and I think the Honourable Attorney General would be more competent to respond to that question than me.

[Inaudible interjection and laughter]

The Speaker: Madam Clerk, next question.

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

Question No. 18

No. 18: Mr. W. Alfonso Wright asked the Honourable First Official Member responsible for the Portfolio of Internal and External Affairs and the Civil Service if he could inform this honourable House of any formal regulations or protocol regarding the sale of the Cayman Islands Flag?

The Speaker: Honourable First Official Member.

Hon. George A. McCarthy: Madam Speaker, the Cayman Islands National Museum is responsible for the sale of the Cayman Islands Flags. The flags are sold in various sizes and include the blue ensign [the land flag] and the red ensign [the marine flag].

Madam Speaker, the Government recognises the Cayman Islands Flag as a symbol of sovereignty. As such, a single official point of sale was designated for the Cayman Islands Flag and Coat of Arms. This function, as stated previously, is presently performed by the Cayman Islands National Museum. This single point of sale means that Government exercises quality control over the design, reproduction and sale of our National Flag.

Supplementaries

The Speaker: Are there any supplementaries?

Fourth Elected Member for the district of George Town.

Mr. W. Alfonso Wright: Thank you, Madam Speaker, and I thank the Honourable Member for the answer.

As the Cayman Islands Flag, Madam Speaker, is considered a symbol of sovereignty, it is also considered a symbol of pride. I would ask if any efforts are made to encourage further distribution of the Cayman Islands Flag to other points of sale even though the original point of sale can always be the Museum. They can in turn sell it, organise resale deals with other entities, but they will always be the first point of reference, whether that has been considered.

The Speaker: Honourable First Official Member.

Hon. George A. McCarthy: Madam Speaker, the Cayman Islands Museum has confirmed to the Portfolio that it could act as a wholesaler to other local outlets. The Museum, however, would continue to do the ordering and quality control. Normally, for an outlet other than the Museum to distribute the flag and the Coat of Arms requires the approval of Cabinet, and this is normally granted if a request is made.

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 we get an undertaking, Madam Speaker, from the Honourable Member that the Museum will look into the possibility of having the flag distributed throughout the Cayman Islands so that the purchasing of the flag can be spread a whole lot wider throughout the Cayman Islands, including Cayman Brac and Little Cayman?

I find, Madam Speaker, that it is with some difficulty, whenever you want to purchase a flag you actually have to know that the flag is on sale at the museum. For instance, tourists who may want to purchase a flag will have some difficulty rather than being able to simply walk into a store and purchase the flag. So I am wondering if we can get an undertaking that the Museum will work towards that end.

The Speaker: Honourable First Official Member.

Hon. George A. McCarthy: Madam Speaker, I can give an undertaking that I will pass the request on to the museum to advertise that the flags are available at that location. The Honourable Minister of Communications has also mentioned that he is presently making arrangements for the opening of a kiosk for the sale of philatelic stamps, and flags can be made available in that location.

Madam Speaker, I think it is more important for us to inform the public where the flag can be pur-

chased. Because the flag is such an important symbol, we would not want for it to be treated as a common item. It is not being disrespectful in any way.

While we do recognise that we want to alleviate as much as possible the difficulty that one would encounter in terms of purchasing the flag, I do not feel that it should be grouped as a bulk item where other artifacts are being sold.

I will not hold myself out to be an expert on this, but at the same time, I regard the flag as a sacred item. I do believe that once it is advertised and made known where the flags can be purchased that it should not pose too much of a difficulty, if someone wants to purchase a flag, to probably travel to the Museum, the kiosk, or visit the District Administration Office in Cayman Brac to make arrangements for the purchase. But I would not really want to see the flag in the supermarkets.

The Speaker: I will allow one final supplementary.

Fourth Elected Member for the district of George Town.

Mr. W. Alfonso Wright: Thank you, Madam Speaker.

I take the point that the First Official Member is making, but, Madam Speaker, I have been to so many events where the Cayman Islands National Anthem has been performed. It is a regular part of every formal programme in whatever we do in the Cayman Islands, and 95 per cent, if not more, of these events have no display of the Cayman Islands Flag during the singing of the Cayman National Song.

I have to say, Madam Speaker, that I believe that is in part due to the non-availability, or the flag is not easily accessible to a lot of these places. I believe that it is an important part of what we are about, to be able to recognise on a regular basis our flag—

The Speaker: Honourable—

Mr. W. Alfonso Wright: —and what it means and that—

The Speaker: Honourable Member, could you put that into a question, please?

[Inaudible interjection and laughter]

Mr. W. Alfonso Wright: I will end by asking, Madam Speaker—well, I just want to make my intentions very clear and ask the Honourable First Official Member whether or not the Department would consider maybe another department as a distributor for the flag, say, for instance, GIS (Government Information Services).

The Speaker: Honourable First Official Member.

Hon. George A. McCarthy: Madam Speaker, through you I can give an undertaking to the honour-

able Fourth Elected Member for George Town that I will pursue this matter with the National Museum in terms of looking at the potential for a wider distribution of the National Flag.

We have to ensure, Madam Speaker, that at venues where the National Anthem is being sung that it is appropriate for the flag to be displayed at such events because we want to make sure that the setting is appropriate.

We can see, for example, the recent tourism conference that was held here where we had the members of the Cadet Corps bring in the various flags, and I thought that it was done in such a respectable manner that one really had a sense of awe when the flag was being placed on the podium.

There is also another requirement where, for example, official events are being held that the Cayman Islands Flag must be flown much higher than flags of other countries.

I do take the point, Madam Speaker, that is being raised by the honourable Member, and I will give him an undertaking to explore this further and probably have a separate discussion with him to see exactly what he is driving at. But we want to ensure that wherever the Cayman Islands Flag is being displayed that it is done with the appropriate dignity so that anyone seeing it will not regard it as just a common item.

The Speaker: Madam Clerk.

STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF THE CABINET

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

GOVERNMENT BUSINESS

BILLS

FIRST READING

The Supplementary Appropriation (July 2006 to June 2007) (No. 3) Bill, 2006

The Clerk: The Supplementary Appropriation (July 2006 to June 2007) (No. 3) Bill, 2006.

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

SECOND READING

The Supplementary Appropriation (July 2006 to June 2007) (No. 3) Bill, 2006

The Clerk: The Supplementary Appropriation (July 2006 to June 2007) (No. 3) Bill, 2006.
Second Reading.

The Speaker: I recognise the Honourable Third Official Member.

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

Madam Speaker, I beg to move the Second Reading of a Bill entitled The Supplementary Appropriation (July 2006 to June 2007) (No. 3) Bill, 2006.

The Speaker: The motion has been duly moved and is open for debate. Does the Honourable Third Official Member wish to speak thereto?

Hon. G. Kenneth Jefferson: Yes, thank you, Madam Speaker, I wish to make a brief contribution to the Bill.

The purpose of this Bill is to seek the Legislative Assembly's approval for Supplementary Appropriations in respect of the Government's financial year that will end on 30 June 2007. In order to undertake these transactions the approval of the Legislative Assembly is required, and that approval is being sought via this Supplementary Appropriation Bill.

The Bill before the House, Madam Speaker, is exceedingly simple. It consists of three main parts: clause 1, which would give the name of the proposed law; clause 2 speaks to the Appropriation authority the Bill, if passed into law, would provide so that the Supplementary Appropriations can actually be incurred; and the Schedule to the Bill would be the third main part.

The details of the Supplementary Appropriations are shown in the Schedule to the Bill. Those items in the Schedule have been considered by Finance Committee and the Finance Committee has, in fact, approved that those Supplementary Appropriations be authorised in respect of 30 June 2007 financial year.

As the items in the Schedule to the Bill have already been questioned and scrutinised in Finance Committee on Monday, it is not necessary for me to comment any further on the Bill as the subject matter has essentially been scrutinised and approved by Finance Committee. I would therefore respectfully ask all honourable Members of the House to support the Bill.

Thank you, Madam Speaker.

The Speaker: Does any other Member wish to speak? *[pause]* Does any other Member wish to speak? *[pause]* 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 say thanks to all honourable Members for their silent support.

The Speaker: The question is that a Bill shortly entitled The Supplementary Appropriation (July 2006 to June 2007) (No. 3) Bill, 2006 be given a second reading. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. The Supplementary Appropriation (July 2006 to June 2007) (No. 3) Bill, 2006 has been given a second reading.

Agreed: The Supplementary Appropriation (July 2006 to June 2007) (No. 3) Bill, 2006 given a second reading.

Suspension of Standing Order 47

The Speaker: I recognise the Honourable Third Official Member.

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

Madam Speaker, I beg to move the suspension of Standing Order 47 so as to enable the Supplementary Bill before the House to be read a third time in a single sitting.

The Speaker: The question is that Standing Order 47 be suspended in order to allow the Bill to be read a third time. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. Standing Order 47 is accordingly suspended.

Agreed: Standing Order 47 suspended to enable the Bill to be read a third time.

THIRD READING

The Supplementary Appropriation (July 2006 to June 2007) (No. 3) Bill, 2006

The Clerk: The Supplementary Appropriation (July 2006 to June 2007) (No. 3) Bill, 2006. Third Reading.

The Speaker: Honourable Third Official Member.

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

I beg to move that a Bill entitled The Supplementary Appropriation (July 2006 to June 2007) (No. 3) Bill, 2006, be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled The Supplementary Appropriation (July 2006 to

June 2007) (No. 3) 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 Supplementary Appropriation (July 2006 to June 2007) (No. 3) Bill, 2006, has been read a third time and passed.

Agreed: The Supplementary Appropriation (July 2006 to June 2007) (No. 3) Bill, 2006, given a third reading and passed.

The Speaker: That concludes the Orders of the day. I will entertain a motion for the adjournment of this honourable House.

ADJOURNMENT

Hon. D. Kurt Tibbetts: Madam Speaker, with your permission for a quick explanation before I ask for the adjournment. There are, I think, three more pieces of business to be completed in this meeting and two are already on a Business Paper.

The Immigration Amendment Bill will be delivered to Members this afternoon, and there is a need for 21 days prior to it going on an Order Paper. That puts us, Madam Speaker, to 28 December if we are not going to seek the suspension of Standing Orders to debate the Bill earlier.

Madam Speaker, Members are aware of what I just discussed, and there may be time . . . [pause]

Madam Speaker, I am just reminded by way of the explanation, let me say, because of other amendments that have been done to the Law, in order not to put any resident at risk, the Law has to be passed and enacted by 1 January 2007. We are cutting it fine. Members would like to be able to, perhaps, be enjoying Christmas, but we have a responsibility and we have to fulfill that responsibility.

So I just want to say to all Members, Madam Speaker, that if it is 28 December that we come back, we have to be prepared to work very late because there are administrative duties which have to be performed after the Third Reading of the Bill, both by Legislative Assembly staff and getting the law assented to and gazetted in order for it to be enacted by 1 January 2007.

Madam Speaker, as of now, we will return on 28 December. If Members gain consensus and logistically it is necessary, then we will come back to you and seek an earlier return to the Legislative Assembly. But as of now, I would move the adjournment of this honourable House until 28 December at 10 am.

Hon. W. McKeever Bush: Madam Speaker?

The Speaker: Honourable Leader of the Opposition.

Hon. W. McKeever Bush: On a matter of procedure: If the Government is not sure that they are going to be for 27 or 28 December, whatever date, you are adjourning until 28. I do not know that the Speaker, after we set that date, can change that.

The Speaker: Honourable Leader of the Opposition, I was about to ask the Honourable Leader of Government Business to adjourn sine die to a date to be set because if this House adjourns until a specific date in time, I have no authority to change that.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker.

The point has been made from all sides. I therefore move the adjournment of this honourable House 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 now stands adjourned.

At 12.48 pm the House stood adjourned sine die.

OFFICIAL HANSARD REPORT
MONDAY
18 DECEMBER 2006
10.11 AM
Eighth Sitting

The Speaker: I will ask the Honourable Minister responsible for Health to say Prayers.

PRAYERS

Hon. Anthony S. Eden: 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 10.14 am

**READINGS BY THE HONOURABLE
SPEAKER OF MESSAGES AND AN-
NOUNCEMENTS**

Apologies

The Speaker: I have received apologies for absence from the Honourable Minister responsible for Educa-

tion who is overseas on official business and the late arrival of the Honourable Attorney General.

**QUESTIONS TO HONOURABLE MINIS-
TERS/MEMBERS OF THE CABINET**

The Speaker: Question No. 19 standing in the name of the Third Elected Member for the District of George Town.

Question No. 19
(Deferred)

No. 19: Ms. Lucille D. Seymour asked the Honourable Second Official Member responsible for the Portfolio of Legal Affairs to say if, in light of findings of the recent study on crime, it is the Honourable Member's intention to have departments responsible for children take affirmative action to address the underlying issues contributing to the underachievement, marginalisation, and social deprivation of boys in particular.

The Speaker: Honourable First Official Member.

This is set down for the Honourable Second Official Member.

Hon. George A. McCarthy: Madam Speaker, in accordance with Standing Order 23(5) I beg to move that this question be deferred until a later sitting of this honourable House.

The Speaker: The question is that Question No. 19 be deferred to a later sitting of this meeting. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

Agreed: Question No. 19 deferred to a later sitting in this meeting.

The Speaker: We will move on to Question No. 20 and then we will return to Question No. 19.

Question No. 20 standing in the name of the Third Elected Member for the District of George Town.

Question No. 20
(Deferred)

No. 20: Ms. Lucille D. Seymour asked the Honourable First Official Member responsible for the Portfolio of Internal and External Affairs and the Civil Service to say what action plans and strategies have been for-

mulated by the Portfolio of the Civil Service, Government companies and statutory bodies to ensure that opportunities for upward mobility are in place for locals throughout the Civil Service, Government companies and statutory bodies.

The Speaker: Honourable First Official Member.

Hon. George A. McCarthy: Madam Speaker, I was going to ask that this question be deferred, but I see where it is being circulated so, therefore, I will . . .

[Inaudible interjection]

Hon. George A. McCarthy: Oh, I see. Okay.

Madam Speaker, I move the deferral of this question in accordance with Standing Order 23(5) until a later sitting of this honourable House.

The Speaker: The question is that Question No. 20 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. 20 deferred to a later sitting in this meeting.

Question No. 19

The Speaker: Question No. 19 standing in the name of the Third Elected Member for the District of George Town addressed to the Honourable Second Official Member.

No. 19: Ms. Lucille D. Seymour asked the Honourable Second Official Member responsible for the Portfolio of Legal Affairs to say if, in light of findings of the recent study on crime, it is the Honourable Member's intention to have departments responsible for children take affirmative action to address the underlying issues contributing to the underachievement, marginalisation, and social deprivation of boys in particular.

The Speaker: Honourable Second Official Member.

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

Madam Speaker, may I first apologise to the Chair and honourable House for my tardiness in getting here this morning.

The Governor in Cabinet has approved the setting up of a multi-agency task force to, among other things, consider the recommendations from the study and to advise on the implementations thereof. The task force consisted of the Solicitor General's Chairperson together with representatives from senior officers of the RCIP (Royal Cayman Islands Police),

Chief Officer and other senior officers of the Ministry of Health and Human Services, Chief Officer from the Ministry of Education, Senior Policy Advisor and Commissioner of Corrections from the Portfolio of the Honourable Chief Secretary, a representative from the Governor's office and the Secretary of Support from the Cabinet's Secretary's Office.

Accordingly, it is hoped, Madam Speaker, that each ministry or department, including the department responsible for children, will identify the relevant aspects of the report and work together with other relevant agencies to address the weaknesses identified by the report. This, Madam Speaker, would understandably include the department responsible for children taking ownership of the underlying issues contributing to the underachievement, marginalisation and social deprivation of boys in particular.

Thank you.

Supplementaries

The Speaker: Are there any supplementaries?

Third Elected Member for the district of George Town.

Ms. Lucille D. Seymour: Thank you, Madam Speaker.

I would like to ask the Honourable Member if the Commissioner of Youth has been included in this.

The Speaker: Honourable Second Official Member.

Hon. Samuel W. Bulgin: Madam Speaker, I cannot say expressly that the Commissioner has been. I would certainly have to sort of get some instructions from those who are on the task force. But I do know that as part of their remit of a task force they have been in touch with and working together with resource persons from other agencies. I am not sure whether the Commissioner is one of those persons, but I will undertake to get an answer for the honourable Member.

Thank you.

The Speaker: Are there any further supplementaries? *[pause]* If there are no further supplementaries, we will move to the next item on the Order Paper.

STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF THE CABINET

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

GOVERNMENT BUSINESS

BILLS

FIRST READINGS

Suspension of Standing Order 46(1) and (2)

The Speaker: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, I move the suspension of the relevant Standing Order in order that the Immigration Bill, 2006, may have a first and second reading.

The Speaker: The question is that Standing Order 46(1) and (2) be suspended to allow the Immigration Bill, 2006, to be read a first time. All those in favour, please say Aye—

Hon. W. McKeeva Bush: Madam—

The Speaker: Honourable Leader of the Opposition.

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

[Inaudible whispering to Leader of Opposition to which he replies] I will debate the suspension.

Madam Speaker, when we were here last the Government announced their intention to call the House back on 28 December for the purpose of passing the Government's amendment to the Immigration Law.

Within a couple of days of being elected in 2005, the Government announced that its policies on immigration were going to be put into effect. Following that announcement their new policies have been felt by every member of the community.

The present amendment to the Immigration Law—which is designed to entrench their policy—has come this far despite numerous public comments on the detrimental effect to the Islands.

During the last sitting of the House the Government chose not to suspend Standing Orders to allow the Bill to come to the Floor at that time and indicated, Madam Speaker (that is, the Leader of Government Business) that he would bring the Bill on 28 December. One would have thought that after spending the last 19 months (as he claims in his last statement of the twelfth) taking steps to bring his Government in line with the well-run governments of the world, that he would have recognised that there are important matters which need attending to by 31 December and thus would have allowed the Bill to come before the House in a timely manner, therefore allowing the principles of democracy to take their course.

What is concerning me now, with the move to suspend Standing Orders at the last minute, is that over the last 19 months with all the reviews the Government failed to recognise what they called "serious consequences" of those matters which they now say

are grave. What else, according to their policy, Madam Speaker, are they going to create for their emergencies in the very near future? I should ask.

I should say, Madam Speaker that when the Government of the day was the Opposition, and the Opposition of the day was the government, and the important matters required the suspension of Standing Orders, the public in this country will well remember the huge outcry from these very same people that the Government of the day was running roughshod over the democratic process.

The Government of the day—having blundered their way into a situation in which they wish now to suspend Standing Orders—goes and says to the public, of all things, that the Opposition could have suspended Standing Orders to allow the Bill to come to the House in a shorter period. Madam Speaker, that is the implication of what the Leader of Government Business said.

Never before can I recall, in these Islands or any other democracy, that the Opposition moved a motion to suspend—

Hon. D. Kurt Tibbetts: Madam Speaker?

The Speaker: Honourable Leader—

Hon. W. McKeeva Bush: —Standing Orders to allow the Government—

Hon. D. Kurt Tibbetts: Madam Speaker, on a point of order.

Point of Order

The Speaker: Honourable—

Hon. W. McKeeva Bush: —to bring a Bill to the House.

The Speaker: Honourable Leader of the Opposition, may I hear the point of order [being raised by] the Leader of Government Business, please?

Hon. D. Kurt Tibbetts: Madam Speaker, in his utterance a while ago the Honourable Leader of the Opposition said that I said (in synopsis) that the Opposition could have suspended the relevant Standing Orders.

I made no such statement and I made no such inference, and he needs to withdrawal that.

The Speaker: Honourable Leader of the Opposition, the Honourable Leader of Government Business has stated clearly that he made no such statement. Would you prove to the House where this statement was made and when?

Hon. W. McKeeva Bush: Madam Speaker—thank you.

According to the *Cayman Net News* of Tuesday, 12 December, headlined "Dispute over debate date" it quotes the Minister as saying—and let me quote from the *Cayman Net News*—"However, publicly counterpunching Mr Bush's implications that it was the Government that was limiting the time for debate, Mr Tibbetts, speaking at the 8 December Media Briefing, said that the Opposition could also call for the suspension of Standing Orders, but was making every effort to turn the issue into 'a cat and mouse game.'"

Madam Speaker, if the Leader of Government Business did not say that, I would like him to get up and refute the newspaper. But I can say to him that if the newspaper did not get this right, the whole tenor of what he was saying was trying to say that.

The Speaker: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Madam Speaker, the tenor that he speaks to, if I may . . . because I clearly remember what I was saying. What I had said was that, by consensus, we could have suspended Standing Orders and come back earlier, but the Opposition made no move to have any discussion regarding the matter. And, at the time in the Legislative Assembly, the Government had decided that they were not going to suspend the Standing Orders at that time. That is what I said.

The Speaker: Honourable Leader of the Opposition, I would ask that you withdraw that the Honourable Leader of Government Business specifically stated that the Opposition could suspend Standing Orders.

Hon. W. McKeeva Bush: Madam Speaker, why do I need to withdraw when the Member, with what he just said, has not cleared up anything as far as I am concerned?

The Speaker: But the Honourable Leader of Government Business has said that he said that if there was consensus that the Standing Orders could have been suspended, if there was consensus between the two parties, or two sides of the House.

Hon. W. McKeeva Bush: Madam Speaker, that is not my issue. This is what was public. That is the newspaper and him. If he wants to go and have an argument with the *Cayman Net News* that is his business. I would like to get the *Caymanian Compass* report to compare it to see what the Member said. But I am saying, Madam Speaker, if he did not say that—I said earlier if he did not say that, the whole tenor of what he was saying was giving the impression that we could have suspended the Standing Orders if we wanted to come back early.

He needs to go and hold an argument with his friends at the *Cayman Net News*!

The Speaker: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Madam Speaker, the whole world knows that one thing I am not is an idiot. The Opposition is in the minority. How could I make a statement that the Opposition could suspend Standing Orders when they are in the minority and do not have the majority of votes?

Hon. W. McKeeva Bush: He is not on a point of order, but let him talk.

The Speaker: Honourable Leader of the Opposition, I would ask that you withdraw the words accusing the Honourable Leader of Government Business of making such a statement unless you want to say in your opinion that this is what you gather.

Hon. W. McKeeva Bush: Madam Speaker, I thought that is what I was giving. When I stand here I am giving my opinion.

I quoted the newspaper and then I gave an opinion that if that is not what he said—even though the newspaper has recorded what he said—that the whole tenor of what he was saying was putting the blame, as he usually does, on the Opposition!

So, Madam Speaker, that is my opinion.

The Speaker: Honourable Leader of the Opposition, I am going to ask you to debate the suspension of the Standing Orders as to your reason why the Standing Orders should not be suspended and not get into a debate on the Immigration Law.

So, would you continue your debate on the suspension of the Standing Orders? Thank you.

Hon. W. McKeeva Bush: Madam Speaker, I am going to bow to your ruling, but I have been here long enough to know that I am not debating the Immigration Bill. I am debating the suspension which will deal with the Immigration Bill and which has surrounded the Immigration in the news media, in his Cabinet meeting briefing—

The Speaker: Honourable Leader of the Opposition—

Hon. W. McKeeva Bush: Madam Speaker, I have a right, you know!

The Speaker: As the Speaker—

Hon. W. McKeeva Bush: I have a right!

The Speaker: —I am asking you to continue your debate on the suspension of the Standing Orders why they should not be suspended.

Hon. W. McKeeva Bush: That is what I am doing.

The Speaker: Okay, thank you.

Hon. W. McKeeva Bush: That is what I am doing, Madam Speaker. You might not like to hear it, but that is what I am doing.

So, Madam Speaker, as I said, never before can I recall in these Islands or in any democracy where the Opposition has moved a motion to suspend Standing Orders to allow the government—any government—to bring a Bill to the House, in particular, a set of amendments to implement a detrimental economic policy, as far as I am concerned, which the Opposition cannot support.

Madam Speaker, in any event, the public knows we only have five members. Government has a total of 13 votes in this House to say for anyone to give an impression that we can suspend Standing Orders is a blatant effort to mislead the public as to their true intentions to suspend the [Standing] Orders.

Madam Speaker, we will not agree. We are not going to agree. There is far too much confusion over this when we could have dealt with it if the Member believed that this was so important.

He is the Government.

Go ahead and do it. Stop talking about he wants *consensus*—*consensus* to suspend Standing Orders to bring a bill—when he is saying he does not have the time at the end of the day to do! In fact, to come back after he has said that—

The Speaker: Honourable Leader of the Opposition—

Hon. W. McKeeva Bush: —to do exactly what he has said—

The Speaker: —I am asking you one more time.

Hon. W. McKeeva Bush: Madam Speaker—

The Speaker: The question before—
[Addressing the Hon. Leader of the Opposition] would you please sit down?

Hon. W. McKeeva Bush: I am going to sit and I am not going to get back up—

The Speaker: Would you please sit?

Hon. W. McKeeva Bush: —because I have my rights curtailed.

The Speaker: Proceedings will be suspended for 15 minutes.

Proceedings suspended at 10.35 am

Proceedings resumed at 10.50 am

The Speaker: Please be seated. Proceedings are resumed.

Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker.

Madam Speaker, first of all, there are one or two things that need to be said to set the record straight.

When we adjourned the Legislative Assembly sine die on 6 December, that was the same day when all Members were given copies of the Immigration (No. 2) (Amendment) Bill, 2006. So, there was no intention to suspend Standing Orders on that day. The way the Leader of the Opposition spoke a little while ago, one may have drawn that conclusion.

The only question at that time, Madam Speaker, was whether there was time enough to allow the full 21 days, or whether the Legislative Assembly could come to an agreed date which would give all Members time to peruse the Bill but which would have been within the 21-day window, thus allowing the Bill to have safe passage and all of the administrative work that has to go on afterwards for it to be enacted 1 January. That was the only question at hand. So, it was not that suspension was going to be sought on that date.

Madam Speaker, one more thing that I want to point out that the Leader of the Opposition tried to impute or lay squarely on the shoulders of this Government, is that after the May 2005 Elections (he said more than once during his short time speaking on the Floor a while ago) this Government gave clear intentions of enacting or putting into effect their new immigration policies which everyone has been feeling since.

Madam Speaker, the 2003 Immigration Law which came into effect 1 January 2004 was a law which was brought by the Leader of Government Business at the time—who is now the Leader of Opposition. So, until now, outside of the few amendments which have been made—

The Speaker: Honourable Leader of Government Business, could I have you tie your argument into why Standing Orders should be suspended, please?—

Hon. D. Kurt Tibbetts: Absolutely, Madam Speaker. Just—

Ms. Juliana Y. O'Connor-Connolly: Madam Speaker, on a point of order, please.

Point of Order

The Speaker: First Elected Member for the district of Cayman Brac and Little Cayman.

Ms. Juliana Y. O'Connor-Connolly: Madam Speaker, I just wonder whether you could draw attention as to where we are in the process of debate. Will other Members get to debate? Is the Honourable Leader of Government Business making his preliminary contribution, or is he winding up the motion?

The Speaker: He is making a preliminary contribution and other Members will, since the motion is open for debate.

[Background comments]

The Speaker: Honourable Leader of Government Business, continue your debate please.

Hon. W. McKeever Bush: Madam Speaker, on a point of order.

Point of Order

The Speaker: Honourable Leader of the Opposition.

Hon. W. McKeever Bush: I would like for this House to understand: How can the Member be making his preliminary arguments on the suspension? He moved the suspension—which is a motion, Madam Speaker. I spoke to the motion.

The Speaker: Honourable Leader of the Opposition, I sat here and I came back and no Member indicated that they wanted to speak.

[Inaudible interjection]

The Speaker: Well then, if the House wants to consider it the wind-up, it will be the wind-up.

Hon. W. McKeever Bush: Well, it will certainly have to be a wind-up, Madam Speaker, because he cannot come back and make . . . the only remarks that the Leader of Government Business can make are closing remarks. He cannot be debating preliminary in an opening manner.

To couple that with this, Madam Speaker, when you came in you called on him to speak; you did not call on anybody else.

The Speaker: Honourable Leader of the Opposition, he stood up and he caught my eye, okay?
Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Madam Speaker, just for purposes of clarity, may I? Just for purposes of clarity. It is okay. Just for purposes of clarity.

Madam Speaker, I moved the suspension of Standing Orders. Before anyone was asked to speak, the Leader of the Opposition got up and spoke to the motion first of all. That is—

Point of Order

Hon. W. McKeever Bush: On a point of order, Madam Speaker. That is not correct, and if you check the *Hansard*, it will show that when the Member who spoke last (the Leader of Government Business) moved the suspension you were going to put the question to vote. I stepped in to say that I wanted to speak.

[Inaudible interjection]

Hon. W. McKeever Bush: But obviously you were not going to speak.

[Inaudible interjection]

The Speaker: Honourable Leader of Government Business, continue your debate please.

Hon. W. McKeever Bush: This is winding up, Madam Speaker.

Hon. D. Kurt Tibbetts: Madam Speaker, for the purposes of brevity, everyone will have a chance to debate the main Bill. I will simply not say any more. If we want to move into the Bill we can because, obviously, nothing will satisfy the Opposition at this point in time.

Hon. W. McKeever Bush: The correct procedure will.

The Speaker: Honourable Leader of Government Business, there is a motion on the Floor of the House, so I will ask (and then you will wind up if that is what the House wishes) if any other Member wishes to speak.

Hon. W. McKeever Bush: Madam Speaker, can you say again what the procedure is going to be on this matter?

The Speaker: The procedure on this matter is that the Opposition is saying they want it open for debate, okay? So, I am opening the motion for debate.

[Inaudible interjection by the Honourable Leader of the Opposition]

The Speaker: Does any other Member wish to speak?

Ms. Juliana Y. O'Connor-Connolly: Madam Speaker, may I?

The Speaker: First Elected Member for the district of Cayman Brac and Little Cayman.

Ms. Juliana Y. O'Connor-Connolly: Madam Speaker, with the greatest of respect, I wanted to speak. I am not sure what the Leader of Government

Business did. I cannot see how it can be deducted that it was preliminary remarks when he was the mover of the motion. I can only take it that he was winding up. I do feel deprived that I was not given the opportunity at the appropriate time—

[Inaudible interjection]

Ms. Juliana Y. O'Connor-Connolly: —by the question, “Does any other Member wish to speak?” Madam Speaker, and I—

The Speaker: I am giving you that—

Ms. Juliana Y. O'Connor-Connolly: Madam Speaker, I do wish to register my objections in the minute of this record.

The Speaker: I am giving you that opportunity now, First Elected Member for the district of Cayman Brac and Little Cayman, and any other Member.

Does any other Member wish to speak?

First Elected Member for the district of Cayman Brac and Little Cayman.

Ms. Juliana Y. O'Connor-Connolly: Madam Speaker, am I to take it that you are now setting a precedence that a Member can speak after a Member has wound up from the Government Bench?

The Speaker: Unfortunately, the . . . you know, I am not going to have any more argument on this question at this time. I think people are just playing politics—

Hon. W. McKeeva Bush: No *[inaudible]*.

The Speaker: —with the whole situation.

Honourable Leader of Government Business, would you wind up the debate as you started?

Thank you.

[Inaudible interjection]

Hon. W. McKeeva Bush: No, no, no, no, no, no. *[Inaudible]* . . . wind up the debate. He just said he wound up.

Yeah.

Hon. D. Kurt Tibbetts: Madam Speaker, I will not take any opportunity to say anything more at this point in time. We will deal with the substantive motion.

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 and Noes.

The Speaker: The Ayes have it.

Hon. D. Kurt Tibbetts: We need a division, Madam Speaker, if you do not mind.

The Speaker: Madam Clerk.

Hon. W. McKeeva Bush: You can divide till you get to the end of the sum. *[Inaudible and laughter]*
Yeah.

Division No. 5/06-07

Ayes: 10

Hon. D. Kurt Tibbetts
Hon. Anthony S. Eden
Hon. V. Arden McLean
Hon. Charles E. Clifford
Hon. George A. McCarthy
Hon. G. Kenneth Jefferson
Miss Lucille D. Seymour
Mr. W. Alfonso Wright
Mr. Osbourne V. Bodden
Mr. Moses I. Kirkconnell

Noes: 5

Hon. W. McKeeva Bush
Mr. Rolston M. Anglin
Mr. Cline A. Glidden, Jr.
Capt. A. Eugene Ebanks
Ms. J. O'Connor-Connolly

Hon. W. McKeeva Bush: See? I told you we only had five votes!

The Clerk: Ten ayes, five noes.

The Speaker: The Ayes have it. The Standing Orders are accordingly suspended.

Agreed by majority: Standing Order 46(1) and (2) suspended.

FIRST READINGS

The Immigration (Amendment) (No. 2) Bill, 2006

The Clerk: First Reading, The Immigration (Amendment) (No. 2) Bill, 2006.

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

The Judicature (Amendment) Bill, 2006

The Clerk: First readings, The Judicature (Amendment) Bill, 2006.

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

[Inaudible interjection]

The Marine Conservation (Amendment) Bill, 2006

The Clerk: First reading, The Marine Conservation (Amendment) Bill, 2006.

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 46(4)

The Speaker: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker. I move the suspension of Standing Order 46(4) to accommodate the Second Reading of the Immigration 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, 2006

The Clerk: Second reading, The Immigration (Amendment) (No. 2) Bill, 2006.

The Speaker: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker. Madam Speaker, the Bill before the House is the result of the September tabling of a draft of the same Bill. A time-period has been given for public consultation in order to hear the views of individuals and NGOs (non-Government organisations) regarding the contents.

Let me first of all state, Madam Speaker, that when the draft Bill was tabled in September, I dealt with much of its content at that point in time, so the final Bill (which was distributed to Members on 6 December) I will not be going over all of those aspects but, rather, simply pointing out any change that may have occurred since the draft Bill. *[pause]*

So, Madam Speaker, I move the Second Reading of the Immigration Bill, 2006.

The Speaker: Honourable Leader of Government Business, the Bill is appearing incorrectly on the Order Paper. It should be The Immigration (Amendment) (No. 2) Bill, 2006, and not The Immigration Bill.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker. To be correct, I move the Second Reading of The Immigration (Amendment) (No. 2) Bill, 2006.

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: Yes, Madam Speaker, thank you.

As I was quickly explaining, Madam Speaker, my contribution regarding The Immigration (Amendment) (No. 2) Bill, 2006, initially will concentrate on changes that have occurred since the draft was produced in September. There are a few committee stage amendments which I will briefly touch on, and they will be distributed to Members so that it can all be debated together, with your permission.

Madam Speaker, first of all, let me say that with regard this Bill, it has been a long road and for just cause and for good reason. Unlike what has been put forward to us, the truth of the matter is that there are a myriad of circumstances which we have had to consider with regard to work permit holders; with regard to individuals who have been here for extended periods; with regard to the fact that the country has to have clarity, it has to have clear purpose with regard to our immigration policies and the 2004 Law, unfortunately, did not achieve this objective.

On 13 September of this year a discussion draft of this Bill was tabled before this honourable House. The event followed a 30-day consultation period after which the Cabinet Committee on Immigration Review met on a number of occasions to review the suggestions and comments that were received from the public. For everyone's information, Madam Speaker, that Committee that I refer to comprises all of the Members of Cabinet, elected and Official; the Chief Immigration Officer and the Chair Persons of the three Immigration Boards, namely the Work Permit Board, the Business Staffing Plan Board and the Permanent Residence and Status Board. It was chaired by the Cabinet Secretary, and technical assistance was provided by Mr. Chris Eakin and from the Legal Department, Mr. Stephen Miller.

I am extremely grateful, Madam Speaker, to all of them because they have spent long hours deliberating and making every attempt to get this as right as we can get it. I also am very grateful to all of those persons who contributed positively to this exercise. Particularly, I would like to thank the joint sub-Committee of the Cayman Islands Law Society and the Caymanian Bar Association for their very comprehensive and helpful review of the draft Bill.

The Cabinet Committee also received and took into account a number of comments that were provided by the Foreign & Commonwealth Office in London. Indeed, there were discussions with many, many individuals and points were brought forward by other organisations. They were all collated and taken into consideration, Madam Speaker, in the final product that is now before us.

A number of changes have been made to the discussion draft that was tabled on 13 September. These amendments, as I said, stem from public input and they also come as a result of anomalies or improvements that the Cabinet Committee itself identified over the past three months. Some introduce new

provisions and others are modifications of provisions that were already in the discussion draft. These changes have been incorporated into the final version of the Immigration (Amendment) (No. 2) Bill, 2006.

I do not propose, Madam Speaker, to go through the entire content of the Bill, as I said, but I will focus instead on the issues that came to light during the public consultation period and where alterations were made to the discussion draft.

I know that as we debate this Bill there will be questions concerning the Immigration Regulations that will accompany the revised legislation. I would like to, once again, assure the House that these Regulations will be gazetted immediately following the enactment of the amending legislation.

Madam Speaker, there are specific reasons why the legislation needs to be approved by year end. Before getting into the details of the changes that have been made to the Bill prior to its gazettal, I think it is important to emphasise exactly why this Bill needs to become law by the end of 2006.

First, a number of important amendments that will benefit employers and employees are closely linked to the fixed-term work permit provisions. For example, employers are to be provided with the benefit of applying for key employee status for their employees at any time prior to the expiration of the worker's final work permit, or a fixed-term work permit. What obtains presently under the Law, Madam Speaker, the Chief Immigration Officer may not grant a fixed-term work permit after 31 December 2006. So a person whose final work permit has expired and who does not have a fixed-term work permit will not be able to benefit from this amendment.

Secondly, Madam Speaker, persons on fixed-term work permits will (when this Bill becomes law) be able to work by operation of law after the expiry of the fixed-term work permit. If they have applied for permanent residence during its currency a person will also be able to continue to work by operation of the law after the expiry of a fixed-term work permit if they have applied for permanent residence after the expiry of their final work permit, but before the grant of the fixed-term work permit.

Again, it can be seen that the fixed-term work permit facility is a key issue. More generally, Madam Speaker, but no less importantly, there are relatively large numbers of persons who are rapidly reaching the end of their term limit and they and their employees need to know where they stand. For example, unless the revised Law takes effect quickly, they will miss the opportunity of applying for key employee status. One of the fundamental intentions behind the amendments to the Law, Madam Speaker, is to provide certainty for employers and employees. A delayed implementation of the revised Law, I would suggest, would clearly run contrary to this intention.

I would like to move on now to explain the changes that have been made to the Bill since it was tabled as a discussion draft on 13 September. Much

of the feedback received was in relation to the policy of limiting the length of time that a worker may remain in the Islands on a work permit and the length of time that the person must remain outside the Islands before he may return as a worker.

The proposal that the Governor in Cabinet may designate workers in particular occupations as key employees also attracted considerable comment from the public. I would like to begin with these two fairly controversial issues: term limits and the break in stay.

When I introduced the discussion draft of the Bill in September, I explained then the important reasons behind why it is crucial for our Islands to have a system that is designed to reduce the number of people who are able to stay here indefinitely and become part of the permanent population with all the attendant rights and privileges that must accompany long-term tenure. The Government remains completely committed to the need for a rollover policy, however unpopular that may be to some, as a means of achieving this objective. However, Madam Speaker, one issue that was given a great deal of further consideration by the Cabinet Committee, who took into account the considerable feedback and comments that were received from the public, concerned the length of time that a person must remain away from the Islands before becoming able to return and work here on a work permit.

Madam Speaker, not only all of the other considerations, but through the Honourable Second Official Member and the Legal Department we received legal opinion as to what was acceptable by way of the length of time. After very careful consideration, and with the assistance of that legal advice, the Cabinet Committee is satisfied that an absence from the Islands for a minimum of one year is enough to constitute a break in legal and ordinary residence and therefore disqualify a person from being able to apply for permanent residence based on their stay prior. This minimum absence period will, therefore, remain at one year as proposed in the discussion draft, but bringing it from the two-year period that obtains in the present Law.

Madam Speaker, it is also proposed that the Law be amended to the effect that when a work permit is granted or renewed, the work permit holder will be notified of the term limit and its expiration date so that he or she may plan their affairs accordingly. Madam Speaker, I need to say right here this does not, at any point in time, preclude an employer from applying for an employee as a key employee during the term of their work permit.

Persons Coming to the Islands for Specific Genuinely Short Term Employment

The Bill now proposes, Madam Speaker, that the Law be amended in relation to certain persons whose normal place of work and abode is outside the Islands and who travel to the Islands on a temporary

work permit for a specific purpose or specific occasion and after which they will leave the Islands once again.

It has been decided that such persons should not be subject to the term limit provisions of the Law. The key, Madam Speaker, is that the temporary work permit must be for genuine temporary employment only. The categories of persons that would fall under this provision are legal counsel acting in any matter, visiting doctors or medical specialists, skilled specialist tradesmen, travelling salesmen or other persons in similar circumstances.

Madam Speaker, let us now look at persons working by operation of Law and what is being proposed. The Cabinet Committee decided that the provisions relating to persons who are continuing to work by operation of Law pending the outcome of their permanent residence application, or a subsequent appeal in relation to that application, should be made more flexible. Such a person will now be able either to continue to work on the same terms and conditions as applied to his final work permit, or he may work with a different employer until his permanent residence application is resolved one way or the other. Also, if the permanent residence application and any subsequent appeal are unsuccessful, the person will be allowed to work for any employer for the final work permit that he is entitled to under the law.

Now, Madam Speaker, to the area of designation of key employees by the Governor in Cabinet: With respect to the designation of workers in certain occupations as key employees by the Governor in Cabinet, the Cabinet Committee remains strongly of the view that this provision should remain. However, the Cabinet Committee has agreed that the relevant section should be redrafted so as to ensure that there are adequate checks and balances with respect to the exercise of this authority. To this end, any designation by the Governor in Cabinet will have to meet strict criteria which will be set out in regulations. That will then be subject to negative resolution by this honourable House.

The basis upon which a designation may be made are as follows:

- There exists a global shortage of persons in that profession.
- There is a desire to attract certain types of businesses to the Islands.
- There is difficulty in attracting or retaining a particular professional category in the Islands.

Madam Speaker, to make it absolutely clear, this does not suggest that any application for an employee to be made a key employee will be granted by the Cabinet. These are simply the categories. The individual applications will continue to be made to the relevant board, whether it is the Business Staffing Plan Board or whether it is the Work Permit Board.

Now, Madam Speaker, moving on to the temporary prohibitions on reapplying where applications have been refused for designation as a key employee.

Also, in relation to the key employee status it was decided that where either the Work Permit Board or the Business Staffing Plan Board has refused an application to designate an employee as a key employee the employer in question may not reapply for that designation within three months of the refusal. This is to ensure that there is no abuse of process but also recognises that an employer should have the right to re-apply.

In addition to the changes that are proposed in relation to the difficult areas of term limits and designation of key employees, there are a number of amendments which are either technical in nature or non-controversial, and I would like to summarise the main points:

- The Bill will introduce a proposed amendment that corrects what amounts to an anomaly in respect of a certain class of persons who should be entitled to apply for the right to be Caymanian, but who presently are not permitted under the Immigration Law 2003. And, Madam Speaker, these are but a handful of individuals but, certainly, it would be wrong to continue to have them disenfranchised.

- The new provisions concern persons born between the 27 day of March 1977 and 1 January 1983, and who are British Overseas Territory citizens by birth. Such persons will now be able to apply to the Chief Immigration Officer for the grant of the right to be Caymanian. Such persons must-

- a) be born in the Islands between 27 March 1977 to 1 January 1983;
- b) be a British Overseas Territory citizen by virtue of being born in the Islands; and
- c) have lived in the Islands since birth, save for absences abroad for purposes of education or medical treatment.

This provision will only be available for a period of one year, however, from the date upon which the revised legislation takes effect it is in effect a temporary provision to give persons affected the opportunity to regularise their status. The Law will require the Chief Immigration Officer to approve the applications unless there are any exceptional reasons not to do so.

Now, Madam Speaker, to permanent residence: An important proposed amendment to the new Law that has been added to the Bill concerns the granting of permanent residence to persons who have been resident in the Islands for 15 years or more on 1 January 2004.

[Pause]

Hon. D. Kurt Tibbetts: Madam Speaker, I want to just repeat that date.

The amendment proposed concerns the granting of permanent residence to persons who have been residents in the Islands for 15 years or more on 1 January 2004. What that means is that when this new Law comes into effect on 2 January 2007, those persons would have been here by then a minimum of

18 years. After careful consideration, Madam Speaker, it has been decided that such persons, if they have applied for permanent residence, should have their applications approved by the Caymanian Status and Permanent Residency Board unless there are exceptional reasons not to do so. Importantly, these persons will also not be subject to the usual requirement that their application be determined by reference to the point system. The Government considers that this is only fair to persons who have lived here for so long.

Now, Madam Speaker, with regard to time spent on the Islands after expiry of term limits . . .

[Pause]

Hon. D. Kurt Tibbetts: Forgive me, Madam Speaker, I was just conferring with the Chief Immigration Officer trying to get the statistics of how many individuals might be eligible under this proposed new section of being here for 15 years as at January 2004. And, while we do not have the specifics, it is estimated that this will be between 30 and 50 individuals. So, we are not speaking about a large number of persons.

Madam Speaker, the Bill now includes a proposed amendment which makes it clear that persons who have had to leave the Islands due to the expiry of their term limit may not use any period that they subsequently spend in these Islands as a visitor to count towards the eight-year residence requirement in order to apply for permanent residence.

There are also some proposed amendments for persons of independent means. Further to the amendments already proposed in the discussion draft, whereby wealthy retirees may apply to reside in the Islands as persons of independent means. The relevant section of the Law has been further revised. It is now proposed that where such a person is married and that marriage ends either by dissolution or upon the death of the spouse of the holder, the surviving or former spouse may apply within a certain timeframe for the grant of a residential certificate for persons of independent means in their own right.

There are also a number of changes to the Bill with respect to work permits generally under the sub-heading of 'Self Employment Work Permits in Exceptional Circumstances Only'. The first of these general amendments concern persons seeking a work permit to engage in self employment, the Cabinet Committee decided that the provisions in relation to self employment by expatriate workers should be tightened to the extent that the Work Permit Board or the Chief Immigration Officer may only grant a work permit for such purposes in exceptional circumstances. There are also proposed amendments outlining mandatory action that the Board must take before revoking or refusing to renew a work permit based on objections.

The revised Bill contains a provision whereby the Law would be amended to ensure fairness to an applicant or a worker where objections have been re-

ceived and revocation or refusal to renew a work permit is being considered. In such cases the applicant must be given notice of all objections and allegations relating to him, and he shall be given an opportunity either to make written representation to the Board, or possibly, to appear before the Board in respect of the objection. The revision would also make it abundantly clear that all allegations that are taken into account in considering an application must be investigated and corroborated so far as is reasonably practicable.

Too many times in the past, with personal conflict, decisions have been made which in many instances really have not been fair to the individuals.

Madam Speaker, under the category of the 'Holder of a Temporary Work Permit' [a worker] may continue to work pending the outcome of a one year work permit with the same employer. A number of representations were received from the business community concerning the proposal to abolish the ability of a worker to continue to work between the expiry of a temporary work permit and the determination of an annual work permit application, or any subsequent appeal. Although there were strong reasons for removing this ability, the Cabinet Committee decided after further consideration to allow the provision to remain at least for now. However, a provision is also being introduced whereby if the one year application is refused the applicant will only be refunded the proportion of the work permit fee that has not been worked; in other words, the number of months remaining had he received the work permit.

Under "Fixed-term Work Permits": Madam Speaker, during the recent review of the discussion draft it was noticed that the proposed amendments in relation to fixed-term work permits did not permit persons who applied for permanent residence after the expiry of their final work permit but before the grant of a fixed-term work permit to work by operation of law in the same way as those who will now be able to continue to work after the expiry of their fixed-term work permit if they have applied for permanent residence during its currency. The relevant section has now been amended to grant the same right to continue in employment by operation of law to persons who applied for permanent residence after the expiry of their final work permit and before the grant of their fixed-term work permit.

Madam Speaker, under Powers in relation to temporary work permits: The Bill now contains proposed amendments in relation to temporary work permits to the effect that it will now be possible to vary the terms of a temporary work permit and also to revoke a temporary work permit. The Cabinet Committee also decided that the onus should be on a prospective employer to satisfy the Chief Immigration Officer that the worker concerned is not present in the Islands as a visitor while the application for the temporary work permit is being considered. An amendment giving effect to this is contained in the Bill.

Under entry requirements: With respect to entry and landing provisions it is proposed that a new provision be introduced with respect to children entering the Islands specifically for the purpose of adoption proceedings. Madam Speaker, we have had on many occasions many heartrending stories and much grief with consideration for these youngsters. So, such children are to be allowed to remain and attend school in the Islands pending the outcome of the proceedings.

You see, Madam Speaker, there was a great difficulty for several years and many of us as representatives encountered that difficulty. There was a requirement under the Adoption Law that the child be allowed to remain with the family that is entering into the adoption procedures for a certain period of time for the relationship to be observed by the relevant agencies, but at the same time the Immigration Department was not allowing any student visas so there was no real way that the individual child could have his immigration status regularised to remain on the Island while these adoption procedures were being observed. This will now remedy that.

Under "Appeals": Madam Speaker, as a point of clarification it is proposed that the Law be amended to the effect that appeals against a decision of the Immigration Appeals Tribunal on a point of law, may be made to the Grand Court. As of now what obtains in the Law does not specify to which court such appeals are to be made.

So, Madam Speaker, these are the majority of the changes that are being proposed since the draft was laid on the Table, and I want to point out here that, certainly, the Cabinet is very cognisant of the fact that once the Law is passed there will be requirement for the Immigration Department to receive the necessary training, the necessary resources, both human resources and otherwise, in order to ensure that there is smooth operation of the Law. There are strong considerations to be made with regard to the operations of the Boards and to also ensure that applications of whatever nature receive early attention and are responded to in a timely fashion. So, Madam Speaker, the Cabinet is going to be quite eager to work with the Chief Immigration Officer with regard to making sure that all of this is in place at an early date.

When I was tabling the Discussion Draft in September, I emphasised that the importance of the legislation to the future of our Islands demanded that the public be given the opportunity to provide its input. The Government has taken full account of the responses received and, where it was considered right to do so, we have made the necessary changes to the Bill. We are confident that the proposed amendments now contained in the Immigration (Amendment) (No. 2) Bill, 2006, are both fair to employers and to employees. But, at the same time, Madam Speaker, we are also confident that these amendments which will bring about the final product of the Law also protect Caymanians and provide clarity and certainty for all.

Madam Speaker, I also wish with your permission to just speak to a few committee stage amendments which will be passed out, but I want to make sure that that is in order.

As a result of further deliberations very recently, it was also agreed that the following amendments are to be made during committee stage.

The first one speaks to the extension of the deadline for submission of business staffing plans which is contained in section 43 (1). It is proposed that that deadline prescribed in section 43 of the Bill for submission of a business staffing plan (December 31, 2006) be extended to the 31 March 2007. You see, if the 2006 Bill were to become law on 1 January 2007, with that being a holiday we expect it to be the 2 January 2007 (whichever date is a viable one), then it would mean that the deadline for a requirement contained in that law (if we left it alone) had already passed. So, it is only practical to make that amendment a further 90 days which will be the final amendment that is being proposed.

Madam Speaker, the effect of that would mean that if a company had not made that application, the way the Law reads there would then be a prohibition of any further work permits being granted by the Work Permit Board or the Chief Immigration Officer in respect of that company. Certainly, we would not wish for that to be the case, because it would be unreasonable to put a business or a company in such a situation of being obliged to comply with the deadline that has already passed.

Madam Speaker, there is also a new proposal for a new provision in relation to fixed-term work permits. It is proposed to create a provision whereby the employer of a worker whose fixed-term work permit has expired or will expire between the period from 1 December 2006 through 15 January 2007 may apply during this period for the worker to be designated as a key employee. A person in respect of whom such an application has been made may then continue to work by operation of law until the outcome of the application, notwithstanding that the fixed-term work permit has expired.

We had to draw the line somewhere, Madam Speaker. But when we looked at it very carefully what we discovered was that that window of persons would almost certainly have been disenfranchised because of not being able to apply for the key employee status, while the new provision in the Law would allow for all others in the same category (but with a different expiry date) to have that opportunity. We did not want for that to happen.

Just to go over that again, Madam Speaker. If the Bill becomes law beginning January 2007, all of those persons who are on a fixed-term work permit that is due to expire before that date would be precluded from taking advantage of the benefits contained in the revised law. For example, the person's employer would not be able to apply for them to be granted key employee status and this amendment

would ensure that persons and employers so affected will not be disadvantaged.

There are also a few minor drafting amendments in respect to clause 3, and there is a revised wording being proposed relating to the appointment of board members. The revised wording is purely technical, Madam Speaker, self explanatory, and does not in any way affect the substance of the clause as it is presently drafted. When Members have sight of it they will understand.

Madam speaker, I want to say this morning, because on many occasions we hear conclusions being drawn and people being totally unsure as to what obtains and what will obtain. I want to not only encourage, but I also want to advise employers and employees to become familiarised with these amendments and what the new Law will contain. It has been thought out very carefully, and, Madam Speaker, we have listened to the proposals that have been made during the consultation period.

Employers and employees alike would be advised to be familiar with the new proposals so that they can take advantage of what the Law will allow for once it is passed in this Legislative Assembly. I have had several queries where the assumptions drawn by people were totally contrary to what will obtain in the Law. So, I want to advise everyone to carefully look at and understand what is being proposed.

Madam Speaker, I will certainly listen to all the contributions being made, and I sincerely hope that even if Members are in disagreement with some of the proposals that they will be rational in their thought process and put forward what they see as solutions. We are not averse to listening to any suggestions; but, Madam Speaker, at the same time the Government reserves the right to ensure that policy decisions are able to be carried out.

Madam Speaker, I commend this Bill to this honourable Legislative Assembly. I do trust that we will be able to conclude the debate in the matter of a few short days, and perhaps, if it is necessary we will work late to do so. Thank you.

The Speaker: Does any other Member wish to speak?

The Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: Madam Speaker, thank you very much.

The Government has blundered on and destroyed a good Immigration Law. It was designed to protect and enhance the wellbeing of Caymanians and to give foreign nationals who lawfully live and work in this society the feeling that they are genuinely equal and welcomed. Since May of 2005, when the present administration gained power in this country, immigration has been in chaos—a mess! Simply because of their wild promises they keep blundering on.

Madam Speaker, in today's highly competitive global atmosphere the economic wellbeing of a coun-

try and its people is largely dependent on sound economic policies and the country's resources. One of the greatest resources our country has, and perhaps its only resource, is our people. Countries without people are similar to trees without roots, sustainable growth is not likely.

Just over 40 years ago these Islands had very little to offer our children for the future. Our parents and grandparents were forced to leave to find employment elsewhere. Our educational system and medical facilities were behind the times. Perhaps still behind, but at least better off today.

Sound policies, Madam Speaker, with the help and assistance of many persons from many countries changed these Islands. And today, our development and the standard of living enjoyed by our people, which is also fast going, and the facilities available to our people—our educational and medical facilities and the services provided to our people—are still the envy of many others.

With this success, Madam Speaker, like any other organisation, we have had to overcome certain problems which emanate from growth. Tackling these problems over the years by finding sound solutions will ensure sustainable economic growth. Failure to implement proper solutions will result in an economic slow down and in our people and children enduring very difficult and trying times. Our ability to produce educational and medical facilities in keeping with global standards, the opportunities for employment for our people, our standard of living will decline.

Immigration for many countries has been a very difficult issue, and I keep saying it has been the problem of the ages for many countries. We find that we have to address the difficult issues, and that is what we did with the Law of 2003.

It is a good Law, Madam Speaker, although the Leader of Government Business, and I guess the Deputy of the People's Progressive Movement, the Second Elected Member for George Town, the Minister of Education, criticised the Government for moving too slowly with the Immigration Law in 2003. Yet, I saw on the front page a criticism leveled at us by the Leader of Government Business that we had rushed it. Of course, they cannot make up their minds, Madam Speaker, and that is because they need to be hopping around finding something to blame someone about to take the spotlight from them.

Shame! Shame, when the Leader of Government Business knows different, Madam Speaker. They know different.

In the *Hansard* of December 2003 the Leader of Government Business said: "**The Opposition is glad to see forward movement in regard to the new Immigration Bill.**" He went on otherwise to criticize. The Deputy Leader, the Second Elected Member for George Town (now the Minister for Education) said on the 15 December 2003: "**This is a very important Bill that is before the House. In my view, it has come to the House very late in the day. It is a mat-**

ter that should have been dealt with by the Government as a matter of expedition some considerable time ago.” [2003 *Official Hansard Report*, page 1210]

Yet, they had the audacity—as they tried to do in the *Net News* and the *Compass* the other day—to try and blame the Opposition, Madam Speaker. But oh! ‘*Oh what tangled webs they weave when they practice to deceive.*’ We moved as fast as we could.

[Inaudible interjection]

Hon. W. McKeeva Bush: *A-ha! Why yuh didn’t say dat den?*

Madam Speaker, I wanted to put that one to rest because when he gets a chance the Leader of Government Business likes to say ‘*the Opposition is to blame for this; they rushed the Bill.*’

Rushed the Bill?

Not with what I just read in the *Hansard*. And I got a little bit more to read before I sit down.

Each country, whether it be large or small, which enjoys economic success faces its own peculiar immigration problem. And each country must find a solution best suited to its particular situation. Imposed solutions, whether they are from the European Union or elsewhere, solutions which are copied from other jurisdictions inevitably will not solve our problem and will result in unintended consequences.

Cayman’s growth, coupled with its very small population, requires its own particular solution. Not everyone who has been able to assist us with our development and fill the need of our labour demands can be accommodated on a permanent basis in these Islands. Similarly, not everyone who has done so should be unceremoniously ejected from the country with a smile. A balanced solution must be found, failing which we, like our forefathers, may yet find ourselves gathered on the shorelines of these Islands hoping for the safe return of our loved ones.

The previous government understood these difficulties and we addressed them in that Law. We recognised that the policy which allowed our people to continue to enjoy sustainable growth provided the opportunity for job creation and promotion of our people, would be the best solution. Our policy, the previous government’s policy, recognised that certain sectors of our economy could only continue to enjoy world recognition if those sectors were able to maintain their professionalism and attracted experienced persons, particularly where our limited population was unable to provide those persons from its own internal growth.

Within days of its election, the PPM announced that it was reviewing the policy which exempted certain persons from being forced to leave. Following that announcement the results of this policy began to affect our people and the economy. The effects are clearly evident today, Madam Speaker.

In summary, there are various sectors of our population which are the highest wage earners that

are not investing in our economy. Many other persons who service our financial industry are leaving, or planning to leave. Work, which is being attracted by the various products in our financial sector, instead of being done in the Cayman Islands is now being done outside of these Islands and resulting in opportunities for our people in all walks of life, from construction to the service industries, declining on a daily basis.

Recently, a Halifax Newspaper reported that one of our leading fund service organisation has been offered a \$9.1 million incentive should it decide to re-locate jobs and employ 30 to 60 people in five or six years. This is just the beginning of the trend. I hope, Madam Speaker and honourable Members, [it is] not the beginning of the end.

Businesses are finding it more difficult to attract people in the professional areas and the cost of attracting those people is increasing. Not too long ago the International Regulatory Community raised a number of issues relative to jurisdictions which were able to attract a number of financial entities but which had no substantial presence on the ground. Madam Speaker, Cayman is heading back in that direction by reasons of the policies which have been instituted by the present Government. The effect of this over the long term will be negative.

There are many in the community who have been led to believe by the PPM that the present Immigration policies and various other policies which they have introduced, I should say, will benefit Caymanians. Well, let me say it has not benefited Caymanians yet!

What we are seeing here is a fast road on decline; a slippery road—the highest cost of living that has ever been and a fast disappearing middle income Cayman. The Government policies are simply wrong!

Unfortunately as the effects of these policies are being felt throughout the community and, as our economy declines, job opportunities for Caymanians will decline. The realisation, Madam Speaker, is that these policies will result in decreased opportunities for Caymanians and for our children. That it will have a very, very negative effect on the economy; make it very difficult for Caymanians and other businesses to remain profitable is beginning to dawn on more and more of our people.

I hear them saying they have the support of the people. Well, I do not know if that is so. When they got elected they had the support of the people. People are glad for the roads, and they like my friend from East End. I like him too! I do not understand why they want to change him in the first place, but anyway, I think he has put paid to that in short order, or I hope he did.

[Inaudible interjection]

Hon. W. McKeeva Bush: Madam Speaker, the Leader of Government Business said that I spread a rumour. I ain’t got no time for rumours!

[Inaudible interjection]

Hon. W. McKeever Bush: The Leader of Government Business knows that what I am saying is true and that is why he is jumping up talking about somebody spreading rumours.

Madam Speaker, poor policies accompanied by unrealisable promises generally have the result that I have been speaking about. And with the increased red tape—do not ask if the Government is increasing that. They can carry the bank that they did not want to support to Cayman Brac or not. There is still red tape for small businesses—plenty!

I see my good friend looking up; I am not saying anything bad about him, I am saying that I am glad they carried the bank to Cayman Brac; but it was one that they did not want to support. And with the increased red tape and the difficulty in attracting labour, significantly increased costs which have been imposed—and, by God, they are doing enough of that . . . you have to pay now to take money out of your own account. You work hard to put it in the bank and save a penny, and now you got to go to the bank and pay them to take it out.

[Inaudible interjection]

Hon. W. McKeever Bush: Always been!

Well, you all have been hitting me long enough; need to stop.

[Inaudible background talking]

Hon. W. McKeever Bush: Have been hitting me long enough. It is time for all you to solve the problem and stop blaming McKeever.

[Inaudible background talking]

Hon. W. McKeever Bush: I hear you all over there. Go ahead [with your] grumbling.

[Inaudible interjection]

Hon. W. McKeever Bush: You will have time.

[Inaudible interjection]

Hon. W. McKeever Bush: Yes but you haven't done anything with the time since you've been here (that is, 19 months), so I don't know what you are going to do in the next couple of minutes.

Hon. D. Kurt Tibbetts: Check your own record.

Hon. W. McKeever Bush: My record?

When you live to do as good as I have done, you will have something to brag about, Mr. Leader of Government Business, but you haven't come there yet.

Hon. D. Kurt Tibbetts: I don't brag about anything.

Hon. W. McKeever Bush: No! You are an angel, everybody knows that.

[Laughter]

Hon. W. McKeever Bush: Madam Speaker, it is now nearly impossible for young Caymanians to start their own businesses and to maintain the ones that they have started. Changing laws which are designed—and this is all that it has done—to enhance poor policies which are likely to make the present situation worse. Our people and economy will experience growing difficulties, increasing costs, more business red tape as the Government proceeds to increase its borrowing and revenue measures. Caymanians will experience more of the same: problems, problems, problems. And if anyone believes that, because they can go and borrow \$320 million in three years, that is the best thing for the country, you are making a sad mistake when you check all of our loans. If you complete that you will have close to a billion US dollars in this country.

[Inaudible interjection]

Hon. W. McKeever Bush: When you get up and you speak you tell me, and I will tell you who. Okay?

The solution to our problems, Madam Speaker, is not the present changes to the Immigration Law. The solution is for the PPM to adopt a balanced, fair, and sound immigration policy which allows the continued growth of our economy and investment in our economy by those who live and work here which will then help our people to move themselves forward. Unfortunately, the present policy instituted by the PPM through its new immigration policies introduced a new meaning to the word "outsourcing".

We are now exporting the economic benefits of major parts of our industry, encouraging persons who are in the highest wage-earning brackets of our economy to export and invest their earnings in other countries, creating additional hardship for businesses, local and otherwise, to operate right across the board. This is a formula which can only result in [increased indebtedness], negative economic growth, division and resentment in our population base, and affect the ability of Caymanians and our children to make a reasonable living in their own country.

I know what they are going to come back and say, Madam Speaker, about they are doing this and that and the next thing, but the people are not listening. We have a few letter writers all right. We still got them. But the people know; they are not listening because the people are feeling the hurt. Never before in the history of the Cayman Islands has decline come so fast to so many. By reason of their false promises, unfortunately, the policies produced by the PPM from shortly after their election will not result in any short or

long-term benefit to our people or economy or anyone.

For those reasons, Madam, Speaker, the Opposition will not support the Government policy, nor the present amendments to the Immigration Law which come about because of their policy. Their policy has spawned far too much mess. So, when I sit down, Madam Speaker, they can get up and do what they did during the Election. All I can tell them is, it will not be the same effect.

I wish to close by quoting the Second Elected Member for George Town who said on Tuesday 16 December 2003, in the debate on the new Immigration Law or Bill before the House, and I quote: **“Mr. Speaker, we are fortunate in the Cayman Islands to have such a harmonious situation, which is not to say that there are not prejudices and manifestations of prejudices, but, happily as we have seen recently with the Oath of Allegiance taken by those people who were bestowed Caymanian status, there is willingness among all elements in Caymanian society to co-exist. I wish to say that this Immigration Bill will enhance that willingness. This Immigration Bill will remove the distinction between the different Caymanians. This Bill will make it possible for those persons who are awarded Caymanian citizenship to be able to live in this society and to feel that they are genuinely equal and welcome.**

“I commend the Bill. I am privileged to have been a witness and a participant to this historic occasion and I look forward and will forever labour to make the Caymanian society the most democratic, the most fair and the most cosmopolitan society, not only in the region, Mr. Speaker, but in the world.

“I commend my colleagues on both sides of the House and look forward to the passage of this Bill to Caymanian society moving even to greater heights.” [2003 *Official Hansard Report*, page 1245]

That is the Bill, Mr. Leader of Government Business, that we rushed.

[Inaudible interjection]

Hon. W. McKeeva Bush: I know you supported it. You are destroying it!

That is the point!

You are destroying what you said was good!

[Inaudible interjection]

Hon. W. McKeeva Bush: Well, get up any time you want to get up. I don't care! I wish you would stop “fixing” me.

[Laughter]

Hon. W. McKeeva Bush: And he ended up by saying: **“Breathes there the man with soul so dead who never to himself hath said, this is my own, my native land.”**

And the now Leader of Government Business was not as flowery, but he was right there in front of him singing the praises, Madam Speaker, singing the praises.

You know if it was not such a bad state of affairs existing in this country I would say that they played good politics. But what my good friend, the Minister of Education, said then and what they have done since is a disgrace, is a hurt, an abomination.

Yes, the Bill was a good one until they had their petty jealousies. The Bill was a good one until they got people with professional jealousy. The Bill was a good one until they meddled with it to prove their points. And what they are doing today will not make our people any better off. I tell you, give yourselves some time; give yourselves a little bit more time and you are going to see, as has already been proven in certain things, that what you are doing is wrong, wrong, wrong!

[Inaudible interjection]

Hon. W. McKeeva Bush: Yeah!

Well, Madam Speaker, my friend can say it is nothing, but what I have said here I hope he will listen to all the same because this is what is true. This is what is happening. This, what I have said, is what is going on.

The Speaker: Does any other Member wish to speak?

The Honourable Minister responsible for Tourism.

[Inaudible background talking]

[Inaudible comment by the Honourable Leader of the Opposition]

Hon. Charles E. Clifford: Thank you very much.

Madam Speaker, just listening to the Leader of the Opposition, if I did not know better I would have thought that the 2003 Immigration Law, which contains the policies on immigration that are currently in force, does not contain a rollover policy—the very law which was piloted through this House by the now Leader of the Opposition.

Hon. W. McKeeva Bush: *Not the “Rollover” policy—that’s unnah policy. You don’t see that. You don’t know that.*

[Inaudible comment]

Hon. Charles E. Clifford: Madam Speaker, my view is that this debate on the Immigration (Amendment)

Law ought to be about uniting and calming the nation, because much has been said to create upheaval.

[Laughter]

Hon. Charles E. Clifford: Many distortions have been made about what is being proposed, and it has not been helpful, Madam Speaker, to the debate that we are currently undertaking.

Madam Speaker, the Immigration policies of this country are too important to the economy for politicians to play politics with them. I challenge the Opposition. Perhaps I should say the remaining Members of the Opposition who have not spoken yet, because perhaps it is a bit too late for the Leader of the Opposition. But I challenge them to use this opportunity to demonstrate to the country that they are capable of putting country before self, particularly on matters of such national importance, matters such as the Immigration (Amendment) [Bill] that is currently under debate.

Madam Speaker, the debate must be about making a very clear statement that the Government has an unequivocal responsibility to protect and facilitate the business community and commerce. But it also has an equally important national and moral responsibility to protect Caymanians and to ensure that all Caymanians are able to benefit from a robust economy and to avoid the question of who are we developing for.

Madam Speaker, much has been said by irresponsible individuals and, in fact, some of the print media, which suggests that Caymanians do not want Jamaicans in our country or do not want this and that nationality. While there are some who might say, *'You know, Minister, it is best if you stay away from this subject,'* I want to address it here today because it has gone on for too long. There have been too many distortions and we need to set the record straight.

Madam Speaker, nothing could be further from the truth. That the Opposition and other members in this community who would wish to create scare tactics would suggest that Caymanians do not want Jamaicans in their country, this type of behaviour is not just irresponsible, it is downright reckless as it has the potential to create social disharmony, encourage things such as hate crimes, and ultimately undermine our reputation as a safe tolerant and welcoming society.

Given the implications of such reckless behaviour, I strongly suggest to the public that they frown upon any politician or media house which would encourage such distortions of the truth in an attempt to gain votes or to sell newspapers.

This Government understands that one of the key components to making the economy work is people—both Caymanians and non-Caymanians in sufficient numbers and with the right skills and/or qualifications.

Madam Speaker, our country has a population of some 52,000 people, and we understand that we have about 24,000 work permit holders. We know too that we have very little unemployment and therein lies the issue when you throw all of those things into the mix.

The country's economy demands more labour than the indigenous population can supply in the foreseeable future and, therefore, we have to import labour. While our immigration policies must certainly ensure that that labour is able to be imported as efficiently as possible, the policy must also equally ensure the protection of our Caymanian people and make sure they have the opportunities afforded to them that residents of any country would expect to be afforded to them.

It is common sense for a country in this position to have policies in place which ensure a good mix of nationalities in the expatriate workforce, and that no one nationality is allowed to dominate. That is prudent policy and good governance. To take such a sensible policy position and spin that into an allegation that Caymanians do not like Jamaicans is reckless, as I said, and certainly provocative.

Cayman and Jamaica are inexplicably linked. We are linked by geography, we are linked by history, we are linked by family connections, and we are certainly linked by regional interests.

Hon. W. McKeever Bush: Um hum.

Hon. Charles E. Clifford: The governments of Cayman and Jamaica know this. And the people of our two countries know this too. I am confident that our people and the Jamaican people will not be misled by reckless opportunist politicians.

No matter what type of spin the Opposition tries to put on this, the majority of Caymanian and non-Caymanian residents of this country understand that this Government welcomes all immigrants and visitors to our country, whether they are here for business to work, or for pleasure. But this can only be allowed within the context of a sensible immigration regime, just as it is in most other countries.

The Leader of the Opposition, in an effort to distance himself from the rollover policy, has said that the PPM Government has interpreted the law differently from the way in which the UDP Government interpreted the law.

Hon. W. McKeever Bush: On a point of order, Madam Speaker.

The Speaker: Honourable Leader of the Opposition.

Hon. W. McKeever Bush: I think the Minister is misleading the House. I certainly have never said that we did not pass the Bill. I have never tried to distance myself from what I have said is a good Law. What I

have no part in is the mess that they have created with it. The fact is . . . well, just to make that point.

The Speaker: Honourable Minister of Tourism, please continue your debate. There is no such point of order as misleading—which was ruled by the last government that had the Speaker sitting in this Chair do a presentation.

[Inaudible interjection]

Hon. Charles E. Clifford: Thank you, Madam Speaker.

And just to remind the Leader of the Opposition again, that whatever perceived negatives he sees coming from the immigration policies of the day, are coming from the Immigration Law which he piloted through this House in 2003!

Hon. W. McKeeva Bush: No . . . you played with it! You don't know what you're doing!

Hon. Charles E. Clifford: So you see, Madam Speaker, clearly the Leader of the Opposition . . . and he has said publicly. It was reported in the newspapers and he has said it, I believe if I am not mistaken, in this House, that it is the way in which the PPM Government has interpreted the Law that is causing the issue.

Hon. W. McKeeva Bush: Your policies!

Hon. Charles E. Clifford: Now, Madam Speaker, let us examine that statement. It can only mean one of two things: the first is that this is a convenient position for the Leader of the Opposition to take in order to attempt to mislead the public into believing that these amendments would not have been necessary if the UDP was still in power.

Hon. W. McKeeva Bush: Not what you're doing.

Hon. Charles E. Clifford: The second possibility is that the Leader of the Opposition did not understand the provision in the Immigration Law when he piloted the Law through the Legislative Assembly on behalf of the UDP in 2003.

Madam Speaker, the public can decide for themselves which of the two possibilities is more likely. However, regardless of which one you choose, it ought to be a source of significant concern about the way the government was being led during the last administration.

As I said earlier, several people—including people of the Opposition party—have tried to use scare tactics by saying that this term limit policy, that is, the rollover policy, will destroy businesses.

Hon. W. McKeeva Bush: We never said that. You heard us say that?

Hon. Charles E. Clifford: Madam Speaker, let us look at what has been done to ensure that we deliver on the dual responsibilities of protecting and facilitating the business community and commerce (that is, in particular, the two economic pillars of tourism and financial services) while at the same time protecting Caymanians and ensuring that all Caymanians are able to benefit from a robust economy.

Hon. W. McKeeva Bush: Yeah.

Hon. Charles E. Clifford: Madam Speaker, we endorsed the rollover policy that was implemented by the UDP Administration. That is very clear because it remains and it has been strengthened in the amendments that are currently before this honourable House.

We acknowledge and accept that several businesses have not prepared their business staffing plans. We have given them a further extension, and we have said to the country that this is the final extension. They will have until the 31st of March, 2007, to file those business staffing plans, otherwise their permits and their applications will not be considered by the Work Permit Board, or the Business Staffing Plan Board.

We have strengthened the provisions with respect to key employee designation. We have also, through the proposals in the current Bill under debate, allowed for employers to apply for key employee designation at any time during the currency of a permit.

We have acknowledged in the amendments to the Regulations that there was certainly need for additional powers by the boards which come under the Immigration Department and also that the Chief Immigration Officer himself requires additional powers to effectively carry out the provisions of the Law. And we have made provisions for that. We have also acknowledged that this is going to take additional resources and funding, and we have made commitments to do that for the Department.

The Government has also included in the proposed amendments the ability of the Cabinet to designate certain categories or vocations as key employees and, therefore, the board would be guided by such a decision in Cabinet. So, we recognised that there were certain amendments required, not just to protect Caymanians, but also to facilitate and improve the mechanisms which exist for the development of businesses in this country.

I want the Leader of the Opposition, or any member of the Opposition party for that matter, to tell me which modern democracy, which modern democratic country you can go to and take up residence, obtain a work permit (or an equivalent) and say to the government and the country *'Now listen to me, I am here to work for as long as I like, and I will leave if and when I want to and there is nothing you can do about it. You will just have to accept the social and economic implications of that.'* Show me which country,

which modern progressive country has that type of policy in place.

Madam Speaker, most countries have sensible immigration policies which only allow immigrant workers to stay for a maximum length of time unless they are able to obtain some form of security of tenure, such as permanent residence. There are certainly different descriptions for this from country to country. However, at the end of the day irrespective of which country you are in, the provisions speak to some form of term limit unless you have been able to obtain some type of security of tenure.

Madam Speaker, because of that I do not understand why some foreign workers in this country would see the current term limit policy in our Immigration Law as what they would term a "harsh" policy when they are certainly well aware that Caymanians could not go to their country and stay indefinitely without some form of security of tenure.

We understand the reasons behind the term limit policy, that is, the so-called rollover policy, and some people have said, *'Well, rather than including a rollover policy, why don't we just allow those immigrant workers who are coming into our country to essentially sign away their rights to permanent residence or any form of security of tenure?'* Madam Speaker, this was attempted in at least one other jurisdiction and we certainly have case law on this where it was determined by the courts that while there is nothing stopping an individual from signing away his right to security of tenure, it really has very little effect in law because persons have certain rights which cannot be curtailed or obviated by their signing them away.

So, Madam Speaker, having studied the legal position on this matter, and having looked at the case law on the matter, we certainly determined that that was not an option and, therefore, it was not something which could be included in this legislation, certainly not as an alternative to a term limit policy.

As a result of the consultation period we afforded for the amendments under this Bill, we received a tremendous amount of feedback from various associations and individuals—associations such as the Chamber of Commerce, the Council of Associations, the Law Society, the Caymanian Bar Association, the Cayman Islands Society of Professional Accountants, and so on. I want to publicly thank them for all of their contributions, their suggestions and their advice, and to say that the Government certainly found quite a bit in what they suggested and in their advice that we could use in the amending legislation. I am hoping, and I am certain that they will understand that not all of their suggestions could be taken on. Some of them, all things considered, were simply just not practical.

Madam Speaker, the other issue I want to speak on as far as the Immigration (Amendment) [Bill] is concerned is this whole issue of whether the so-called rollover policy should apply to the public service. This is an issue which I have always had a very

firm opinion on. I know that my colleagues are certainly very familiar with my position on the matter because I have made it clear to them and I have also made it clear publicly on more than one occasion. My position is that we cannot have two different systems, one for the private sector and one for the public sector. That would defeat the purpose and would create a loophole for some to circumvent the provision of the Immigration Law.

We have already seen evidence of that with at least one example of an attorney applying for a job as a flight attendant with Cayman Airways, presumably to circumvent the rollover provision as this individual had received notice that this was the final work permit.

Madam Speaker, if we do not apply the same rules to the Civil Service, then that would be an acknowledgement that the rollover policy is unworkable and harmful to businesses. I certainly do not accept that. So the rollover policy must apply to the Civil Service just as it does to the private sector. Just how we do that is now under review and is being studied.

There are two options, in my respectful submission, Madam Speaker: The first is that we can either write language into this legislation which causes it to apply to the public service, or we can enact provisions in the Public Service Management Law which provides for term limits for immigrant workers who are public servants. In other words, mirror provisions of the Immigration Law in the Public Service Management Law, which would apply to public servants. I am of the view that the latter is the easiest option and that this option should be pursued as a matter of urgency.

I acknowledge that there are some Caymanians (albeit very few) who are also opposed to the rollover policy because they say it will negatively impact their ability to hire and retain staff, and that it will be more expensive for them to operate. I have listened to these opinions. I have had discussions with individuals and I have had discussions with small groups concerning this issue. My comment on this would be that I would encourage those Caymanians to think more long term about the situation and consider this: In the absence of a rollover policy, all of their workers will ultimately obtain permanent residence and ultimately Caymanian status. Then ask themselves this question: What will happen then?

Do they believe that those immigrant workers will continue to be their employees once they get permanent residence? No, Madam Speaker, I do not expect that would be the case. Those workers would then be in a position to compete with the Caymanian. So those same immigrant workers they are advocating for today will be their competitors tomorrow.

I know that in time they will come to appreciate what I am saying and will thank the Government for the position it is taking on this matter today. That is what good governance is all about—representing your people and making tough decisions that you know are for the greater good even if some of your people do not appreciate that at the time.

We must continue to put country before self and forget about how many votes we may gain or lose from our decision. We must let our conscience, Mr. Leader of the Opposition, be our guide.

Hon. W. McKeeva Bush: Conscience?

Hon. Charles E. Clifford: And always ask for God's wisdom and guidance in our decision.

The Speaker: Honourable Minister, is this a convenient point to take the luncheon break?

Hon. Charles E. Clifford: It is, Madam Speaker.

The Speaker: Proceedings will be suspended until 2 pm.

Proceedings suspended at 12.45 pm

Proceedings resumed at 2.09 pm

The Speaker: Please be seated. Proceedings are resumed.

Debate continuing on the Immigration (Amendment) (No.2) Bill, 2006. The Honourable Minister responsible for Tourism continuing his debate.

Hon. Charles E. Clifford: Thank you, Madam Speaker.

When we took the suspension for lunch, I was just concluding my remarks with respect to the few Caymanians who had objected publicly to the term limit policy in the current Immigration Law, and the amendments that are being proposed in the Bill which is before the House now, and which is currently being debated. I concluded by saying that I would encourage those Caymanians who are objecting to that particular provision to think more long term, and to consider that if there were no term limit policy in place that their current employees would ultimately obtain permanent residence and Caymanian status. It is my view that those employees would then become the competitors of those Caymanians in the years ahead.

Madam Speaker, I also made reference earlier on in my remarks about the current Immigration Law, in particular with respect to term limits and how we propose to amend it. As I said then, it would appear from the position taken by the Opposition that there is no term limit—at least they are trying to suggest that—in the current Immigration Law, and that as a result of that, it has had negative consequences.

Madam Speaker, I wanted to take a few minutes to look at three provisions in particular, that is the term limit provision, the whole issue of key employee designation, and then, finally, the issue of exempted categories. I want to start with the term limit provisions in the current Immigration Law, that is, the Immigration Law, 2003, which came into effect in January 2004 under the previous administration.

Section 50(1) of that Law reads as follows: **“Subject to subsections (2), (3), (5), (6) and section 38(1)(a), the maximum period for which a person who is not a Caymanian a permanent resident or a resident may be allowed to continuously reside legally and ordinarily in the Islands, is seven years, and after such period of continuous residence the Board shall not grant or renew his work permit until two years after he has left the Islands.”**

Madam Speaker, the marginal note says **“Term Limits”** which, as we know, is the legal terminology used in the legislation for the rollover policy. So it is quite clear from the language of that section, and it does start off by saying, **“Subject to certain subsections . . . and section 38 . . .”** Well, section 38 only deals with the issue of persons who are employed by the Cayman Islands Government or by the United Kingdom Government working in the Islands. So, that has no relevance to what we are saying at this point with respect to this section. But my point in quoting this is to demonstrate that clearly the Immigration Law, 2003, contains a rollover policy in very specific language, as I just outlined.

I wish to now just make a comparison to the amendment to that subsection which is contained in the Bill.

Section 51 of the current Law is being amended by clause 34 of the Bill, and it reads as follows: **“Subject to subsections (4), (6), (7), (9) and (11), the term limit of a worker who is a key employee is nine years and the term limit of a worker who is not a key employee is seven years, in either case commencing with-**

(a) the dates on which the worker first entered the islands if the worker first entered the Islands as a work permit holder; or

(b) the date on which the worker is granted a work permit, if the worker first entered the islands as a tourist visitor,

whether such permits are granted or held continuously or not; and upon expiration of his term limit, the worker shall leave the islands and neither the Board nor the Chief Immigration Officer shall grant or renew a work permit for him until he has ceased to hold a work permit for not less than one year after he has left the Islands.”

So, Madam Speaker, the period of absence has been reduced from two years to one year in the proposed amendment. I want to elaborate a little further on that because I think that some people are of the view that it should have remained at two years. I certainly understand their position. However, I want to remind the listening public of the reason for the break in stay. We have said it before publicly and we need to be frank about why it exists.

It exists to create that break in legal and ordinary residence so that we do not add significant numbers to our permanent population base. It is not designed, as some have suggested, to get rid of foreign workers. We know and we understand, as I indicated

in the earlier part of my debate, that it takes people to operate this economy. And we simply do not have enough indigenous Caymanians to supply the labour demand. So, the break in stay is not about getting rid of anyone, it is precisely for the reasons that I have stated. Because we are convinced, based on legal opinion and cases that have been decided, that a one year break in absence is sufficient to constitute that break of legal and ordinary residence, we believe it should be reduced to one year. It served no purpose to leave it at the two-year break. I wanted to underscore that point because it is important for the public to understand the reason for the period of absence.

The other issue I want to speak to is the whole issue of key employee designation. The key point here is that the amending legislation, clause 33, amends the principal Law as follows, and I quote: **“The principal Law is amended by repealing section 47 and substituting the following: 47(1) An employer may make an application pursuant to subsection (4) to the Board to nominate a worker as a key employee either on the grant or in the case of an existing worker, at any time prior to the expiration of his final work permit as prescribed under section 50(1) or (4) for his fixed term work permit.”**

So there is an important change there, Madam Speaker, and that is that the employer can apply for this designation at any point during the currency of the work permit or of the fixed-term work permit, whereas this was not the case before. This is an example of the Government recognising that this was an issue for the business community and recognising the need to address it in a positive way without affecting our local Caymanian workers.

The other issue I want to deal with is the whole issue of exemption of certain categories of workers. When this whole debate on the changes to the Immigration Law first came up following the elections, there were a number of businesses and business owners who indicated to me and to other Members of the Government that they had been advised by the previous government that certain provisions in the Immigration Law would not apply to them. Now, Madam Speaker, as far as the term limits are concerned, I just quoted from section 50 of the Immigration Law, 2003, and it is very clear in that section that there is no ability to exempt categories of workers from the term limit provision.

I make that point to say that if it was the intention of the previous administration to exempt certain categories of workers, then they should have made a public statement about that at the time. But, clearly, if that was their intention, then their views on the situation would seem to be very similar to the views of this Government, hence, the amendment in the amending Bill to allow the Governor-in-Cabinet to exempt certain categories.

I want to quote very quickly from this section what the Government proposes to do in terms of

amending the legislation. Madam Speaker, in clause 33(6) of the amending Bill, it says: **“The Governor may in accordance with Regulations, which shall be subject to negative resolution, determine from time to time by way of policy directions to the Board that any workers employed in certain professions or vocations, or any categories thereof, are to be designated as key employees; and the Board –**

(a) upon receiving an application to designate a worker on the basis that he falls within the provisions of this subsection; and

(b) if satisfied that the worker falls within the terms of the relevant directions,

shall designate the worker as a key employee and afford him such benefits as are prescribed in subsection (5).”

So, Madam Speaker, we recognise that going forward there may be a need for the Government to designate certain professions or categories of workers in certain vocations as key employees either because there is a global shortage, or because there is a difficulty in attracting persons in those particular fields, or because there is a deliberate policy to promote and develop a particular sector in the Cayman Islands economy. We have provided for that in the amending legislation because we truly believe it is necessary. We know, as one example or perhaps two, that there has been great difficulty in attracting teachers and nurses. While I am not going to stand here today and say that they will be exempted, I will use that as an example of two areas that we are well aware of and the country is aware of where we have great difficulty in recruiting.

Madam Speaker, the debate so far from the Opposition can certainly be summed up as one of pessimism. It came across loud and clear in the contribution by the Leader of the Opposition, and it is my view that it cannot be in the interest of the economy for those types of views to be uttered and promoted.

I am certainly grateful that the Government of the day, the People's Progressive Movement, is an optimistic Government. We believe in this economy. We know we have a strong economy. We know we have a strong business sector. And Madam Speaker, we are here to promote and develop that business sector in the interest of all concerned—both Caymanians and non-Caymanians. We have an obligation to our children, to our grandchildren and to future generations to do so.

As I said, I think this debate ought to be about uniting the country and finding common ground. I do not know how the Opposition can continue to distance themselves from the provisions in this Law and in this amending legislation when it essentially confirms what is in the Immigration Law, 2003, but simply acknowledges that there were some deficiencies and the Law needed to be strengthened. That is exactly what we have done, Madam Speaker.

The debate from the Opposition, certainly so far, has sounded very similar to certain editorials that we have read in the newspapers. I suppose we can make our own conclusion from that, and I am sure the public will do just that. But there was certainly a striking similarity between the contribution thus far from the Opposition and certain editorials we have read in some newspapers.

[Inaudible interjections]

Hon. Charles E. Clifford: Madam Speaker, I hear the mumblings coming from the Leader of the Opposition in an attempt to distract me, but he should know that I am at the end of my debate now, so I am not going to allow him to do that. It is too late for that in any case.

Madam Speaker, I am certainly happy that we have commenced the debate on this Bill today. In conclusion, I certainly hope that we are able to conclude matters before Christmas so that there can be, as the Leader of Government Business has said, certainty and clarity on the Immigration policies of this country and we can then move on with the other important business of running the country and putting in place our programmes and policies.

I wish to repeat that what we have done here is to create sensible and prudent immigration policies in this amending legislation, which supports the dual objective of facilitating business growth and, at the same time, the development of the Caymanian workforce.

I would certainly not be part of a government which either promotes or supports an open border immigration policy. Madam Speaker, as long as I am a Member of this Cabinet, there will be no open border immigration policy in this country, and I certainly make no apologies for taking that position.

I say again to the country, to the Opposition, indeed to all Members of this House, that this is not a subject on which we should play politics. It is too important to the economy of the country. I simply urge all Members to be guided accordingly.

I thank you, Madam Speaker.

The Speaker: Does any other Member wish to speak? *[pause]* Does any other Member wish to speak? *[pause]* Does any other Member wish to speak? *[pause]* If no other Member wishes to speak—the Second Elected Member for the district of West Bay.

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

Madam Speaker, I see smiles of rejoicing on the Government Bench.

[Laughter]

Hon. W. McKeeva Bush: It's relief!

Mr. Rolston M. Anglin: I know that despite all that has been said, thus far—but in particular by the Honourable Minister of Tourism—he too understands that these great virtues he has espoused of certainty and clarity—

[Inaudible interjection by the Honourable Leader of the Opposition]

Mr. Rolston M. Anglin: —and calls of uniting the country along immigration lines has been something that his government—and I cannot say “him” because today is the first time I have heard him speak extensively on immigration.

[Inaudible interjection by the Honourable Leader of the Opposition]

Mr. Rolston M. Anglin: But, certainly, his government has done an absolutely, astoundingly wonderful job at creating confusion, at creating uncertainty and at creating acrimony within this country.

[Background comments]

Mr. Rolston M. Anglin: He has to clearly understand that. He knows that, and I know—I know—that is why he was selected to speak and the tenor of his speech was as such. I know, Madam Speaker, that someone on the Government Bench had to come along through—and I would not even say the back door. They seem to have slipped right up through the foundations of the building to apologise for what has happened thus far surrounding immigration and this debate.

Madam Speaker, let us paint the picture for what it really is. *[It is]* not this strong, robust development that the Honourable Leader of Government Business has painted; nor is it the certainty, clarity or harmonious state that the Honourable Minister of Tourism has painted.

I must say that had this been the way in which any changes to the Law had been carried out, and had the changes in the Law been carried out in a way that did not cause us to have to be here at the eleventh hour, that perhaps, yes, the Government could rightfully get up in this Legislative Assembly, beat their chests, hail themselves the victors and say they have done a marvelous job and thank the previous administration as the Honourable Minister of Tourism has tried to do—grudgingly, through his teeth. He has tried to do it, and he is right. He is right in saying that when we take these 63 pages that we have before us, really, the backbone of Immigration policy has been left intact. What formed the United Democratic Party's Immigration policy is not being changed in any material way by this Immigration Bill.

Madam Speaker, what I am about to do is divide my contribution into two parts. I want to give a brief synopsis as to the genesis of the policies be-

cause as I hear new Members of this House debate (and some old as well), and as I hear people on the talk shows and I see letters to the papers it is clear in my mind that the country (we as Caymanians) has done what we have done so well over the years, and that is to forget so quickly.

[Background comments]

Mr. Rolston M. Anglin: Madam Speaker, I am a Caymanian. But I will be the first to say that one of our greatest flaws and one of our greatest faults as a community is that we do not stick to issues—

The Speaker: Could we allow the honourable Member to continue his debate, please, without the cross-talk and interrupting?

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

We tend to forget so quickly, and that is one of the reasons. In my submission, immigration was left to fester for so long. That caused the crisis that existed, and that crisis was addressed three years ago—almost to the day three years ago. Hence the reason the now Government could join with the previous administration and vote unanimously for the new Immigration Law.

Madam Speaker, when the first Immigration Review Team went about its business, one of the first things that we had to do was look at what had been done so far. So, we looked at all of the previous Select Committees' work, we looked at the current legislation, we selected other legislation that was there. Then, Madam Speaker, we looked at the clear outline and we looked at the trends in the work permit force in the country. We ran statistics every which way but loose. We ran statistics based on nationality versus tenure in the country. We ran statistics based on the industries and professions in which people work—that is, the categories of work permits and the tenure that they had in the country. So, we were able to get a very clear picture of what had happened within the Cayman Islands. And it was, Madam Speaker, that we had two distinct economic booms that caused significant migration to the country. That migration was not accompanied by any form of natural rollover. So, what we had was a large backlog of persons who had been allowed to stay in the country for long periods of time.

We had the task of trying to establish what were long periods of time. When we look at section 50 of the current Law we see in the transitional provisions that eight years and above was what we had determined to be long periods of time in the country. When you look at section 50(2) and you look at the treatment of persons that have been in the country for those periods of time, 8 to 15 years, and 15 years and above, one would see the favourable treatment that that Immigration Law provided for those people.

Now, Madam Speaker, we also had to try to look to the future and predict and project out where we thought the country would be. Why did we have to do that? We had to do that, Madam Speaker, because . . . let us take a profession. Let us take doctors. If we saw that the work permit force in the country was a certain number versus Caymanians, and we then looked at the state of the economy and where we thought the economy in the country was going, we had to try to assess and determine what Cayman would look like within the 5-, 10-, 15-year horizons. Now, Madam Speaker, that is not something that is not scientific in the best of circumstances.

And so, when we went about that task we then had to try and say to ourselves: How is it that we try to ensure that opportunities are available to Caymanians, incentives are there for Caymanians to go off and get training and educated in certain areas and come back and make a positive contribution?

Madam Speaker, just to use a hypothetical situation: let us say there were 10 non-Caymanian doctors on work permits in the country at the time that the first IRT (Immigration Review Team) met and did its work and its deliberations and its research, and let us say there were 3 Caymanian doctors, making a total of 13. If we felt as though that in the 5-, 10-, 15-year horizon we were going to need 25 to 30 doctors we could feel with reasonable certainty that incorporating the current practitioners into the Cayman society and into Cayman fabric through legislation would not sweep away and provide disincentives for Caymanians to enter that profession.

So, just using that very simplistic example, we would have seen where there was a projected growth of 100 per cent in the current practitioners. Therefore, we would have felt very comfortable in knowing that those persons that were here could potentially become incorporated into the society by giving them security of tenure. However, at the same time, there would still be adequate opportunities and adequate incentives for Caymanians to enter those professions, get their education, become trained, come back and (as some people like to say) take up their place in society and make a positive contribution.

Madam Speaker, in general terms, that is how most countries try to look at their immigration dilemma, because as the Honourable Leader of the Opposition has said, any time you have a country that has economic prosperity what follows that is migration to those countries. Madam Speaker, we knew that one of the areas that we needed to improve on was providing a clear system of rights and obligations for foreign nationals before they came to the country. Hence the reason there was great need for immigration reform. We knew that if we did it right and if we balanced things in such a way, that it would actually provide us with a competitive advantage over those who were seeking and demanding from the same labour pool as we were demanding from.

Madam Speaker, one thing that has been lost in this debate over the last 15 months, because there were so many promises of taking Cayman back, what people have lost sight of is that we are in a country where we just do not have the numbers in any category of employment to fill the jobs with our indigenous population. We do not have the numbers. Whether it is unskilled, semi-skilled, or skilled labour we do not have the numbers.

The IRT at the time also took the view that given this current state of the economy and where we were projecting the economy to go (i.e. the growth we were projecting in the economy), we clearly thought there was no doubt at all within the team that there would be positive growth. And because we felt there was positive growth, we also felt that it was only fair—and that is the key word, Madam Speaker. No one on that team felt as though we were obligated to do anything because we felt there was no foreign national that came to the Cayman Islands that was given any guarantee. *'You are on a one-year work permit and that work permit could or could not be approved in the future.'* The Law always stated and the letters that were mailed out always said the grant of a work permit does not have any guarantee for future permits, and that still holds.

So, we went about creating a policy that we thought was transparent, fair, and future-forward looking. We also knew that it was only fair to incorporate a significant number of non-Caymanians who were currently in the country, living and working in the country for substantial periods of time and making a positive contribution.

Madam Speaker, all of us would agree that when we are trying to build a society and we are going to incorporate people by giving them some form of security, time is but one measurement because the reality is you could have a person live in a country for substantial periods of time but not necessarily make any real, positive contribution. They could just be in a country for economic reasons. Therefore we also recognised that there are certain types of individuals and certain categories of people that are of crucial importance when it comes to nation building.

We felt it was very important when it came to doctors, teachers, nurses, preachers. Those are professions in which there is no clamouring of Caymanians, first of all, to get into. Even if there were, when we look at the natural growth rate of our population, and when we look at the sheer numbers that we qualify to go on to tertiary education, we would not have caught up for many, many, many, many years, if ever.

And so, Madam Speaker, that was the basis upon which we recognised the need to also have a caveat that allowed for there to be exemptions of person, exemptions that allowed persons to make it through the fixed-term policy and achieve security of tenure and achieve the right to apply for permanent residency. If they got permanent residency within twelve months of being free of immigration restriction

and control, being able then to move on and become British Overseas Territory citizens, and from there going on to Caymanian status.

The reason behind that aspect of the system was we wanted there to also be a graduation of rights and privileges within the country so that we had a system where people went from Point A to Point B to Point C on the scale, Point C being the end result which is Caymanian status. Quite frankly, the other reason that that was attractive was we knew, based on the sheer numbers of people that had been in the Cayman Islands for greater than eight years that there was going to be a significant increase in the fixed population. There was going to be a significant number of people who would have been granted security of tenure because the reality is, in the great majority of the cases, persons who had been here on work permits for greater than eight years there would have to have been an exceptionally good reason for that person to not then secure permanent residency.

Now, Madam Speaker, let me take a quick step back. As I said, we then also recognised the need on an ongoing basis to have and make provision for persons to make it through the fixed-term policy by having a key employee, an exempted employee (whatever you want to call it) carved out within the legislation.

Now, Madam Speaker, as we all know . . . I have not seen any piece of legislation that has come to this House—massive legislation like immigration—that you ever get right on the first cut and get every detail, every 'i' dotted, every 't' crossed, every reference perfect. It just does not happen, for whatever reason. And I can assure this present Government that even with this Immigration (Amendment) (No. 2) Bill, 2006, I would bet that within the next 12 months there is going to probably be some amendments that they are going to have to come to this House to make once it starts to be practised, once it is put in force and people have to live the Law. And there is nothing unusual about it. Absolutely nothing.

You see, Madam Speaker, while everybody is agreeing now that it is nothing unusual, this uncertainty started some 15 months ago when the Government and their spokespersons on immigration got out in the public and made their wild and lambasting statements talking about the Immigration Law has more holes in it than Swiss cheese. Where was the call for certainty and clarity when the Government saw it politically convenient to do whatever it could to try to discredit what the prior administration had done with the Immigration Law? They were playing pure unadulterated politics, Madam Speaker. Now they come today, *butter can't melt in their mouth.*

Hon. W. McKeeva Bush: Uh-uh.

Mr. Rolston M. Anglin: *Oh, we want there to be a united front. You know, it is like: Take us behind the backhouse, beat us up, kick us all around the place.*

Stomp on us while we are down and then bring us back inside. Sit us down and dust us off and say: Just take that, old boy. You just sit there. Let us get some consensus. Let us be united. Let us be certain. Let us be clear.

Madam Speaker, you know, when you see this type of behaviour it really just amazed you because to think that they would think that we would have forgotten all that has been done and said to get us to this point. So, they go half cocked and declare the Immigration Law to be an absolute disaster area. It is a mess. Let us face it, any piece of legislation that has more holes in it than Swiss cheese has got to be a piece of legislation that should be rescinded and we start over. We should take it, revoke it and bring a complete new piece of legislation to take its place, if that were so. But as we see, as usual, Madam Speaker, the attempt was, you see, to discredit what was done so that when that discrediting was taking place the public would lose attention, pay this attention to all that criticism so that they could sneak right in with that red paintbrush and just start painting and rolling, painting and rolling. Let us take it. It was good so let us take it and paint it red and make it a PPM product and therefore at the end of the day we will be the heroes, we will be the saviour.

Now, Madam Speaker, after having taken that as the first approach, we then have another Immigration Review Team established. This second Immigration Review Team meets and, you know, the first meeting that I attended, oh man, there was . . . let me tell you, I was ready to cry.

[Laughter]

Mr. Rolston M. Anglin: I was ready to cry and I am not a person that cries easily.

Madam Speaker, the state that they explained to us that Immigration and the Law was in, we were told that the transitional provisions could not work in practice. I knew as soon as I heard that if the transitional provisions cannot work that would have meant that the bedrock of the Law would have collapsed, because, Madam Speaker, to take a quick step back we had to pick a date and draw a line in the sand and say, *'From this day onward here are the rights and the privileges of people.'* If we did not do that, Madam Speaker, we would never ever have gotten to the point of dealing with everyone that was current in the country and then having that new system apply to everyone that was outside the country at that specific date. The date that was set, Madam Speaker, was 1 January 2004.

And so, after hearing the doom and gloom that was painted to us, and in the press, we all thought . . . And the reaction in the business community was immediate. It was automatic; it was spontaneous, Madam Speaker. If all of a sudden, you are going to hear that . . . Put yourselves in the business community's place: If you thought that there was cer-

tainty and there was a good fair and transparent immigration policy in place, and people knew there was a progressive system of rights and people knew before they came what their rights were and what their obligations were; it also provided the carve-out for where we saw fit to exempt some people so that we could continue to build because, as I said, our population growth rate is simply not enough to grow a country. Caymanians—every one of us—ought to get up in this House and tell the public the truth on that point. That, Madam Speaker, is why it is necessary to continue to have the key employee provision in the Law. And I will get to that in a minute.

So, Madam Speaker, we get the doom and gloom painted, and then all of a sudden things start to change. The system starts to work. The computer services department is brought in and, all of a sudden, now it is not as bad as we thought. We can implement the transitional provisions automatically. We can cause the Law to work and we can move forward.

So, Madam Speaker, some recommendations were made. I must be perfectly frank. Unlike the first IRT where we had a report and we tried to build consensus and we tried to build unity and we took it and ensured that the report was the report of the Committee and everyone signed off on it, all I found out was that the recommendations were going to Cabinet and that Cabinet had resolved itself plus some other people to be the Implementation Committee for the recommendations and get legislation drafted and get it to the House as soon as possible. Now that was somewhere . . . Madam Speaker, if I remember correctly those pronouncements were made sometime about 12 months ago, sometime around this time last year, sometime in December '05, January '06.

Now, if the Government was truly in touch with what is happening with the business world, they ought to have known that because of all of the pronouncements that were made and because of all the cocktail party talk, all the rumour and innuendo—you heard things like, *'Oh, business staffing plans had been approved and they were not going to be honoured.'* The businesses were going to have to come back to the Board. Madam Speaker, let us not pretty this thing up. This was an ugly, ugly situation. Businesses were calling us up saying, *'What is this that I hear that our business staffing plans are null and void, and how the plans were heard under the Law were incorrect and how the Law was interpreted was incorrect?'*

Madam Speaker, it shook the foundation upon which this country is built on. This country, Madam Speaker, the reason we are ahead of places like Bermuda is because when it comes to legislation and legislative changes we have done things smartly, we have done things efficiently and we have gotten it done and gotten over it.

What drives business away more than anything else is uncertainty. There is no policy that is worse than uncertainty because even if there is a pol-

icy that businesses do not agree with, once they know what the policy is then they know and they can make their decisions. They can make their plans. They can say: *'Okay, we now know that this is how Immigration works. We now know that this is how they are going to deal with this issue as it relates to my plans that I have submitted. This is how the environmental law works.'* You have to be clear so that people can make their plans and move forward. And, Madam Speaker, I do not believe there is any Member of this House who can, with any certainty and honesty, refute what the Opposition has said and that is that the borders were muddled. There was a great sense of uncertainty; there was a clamour; there was a frantic state out there.

Now, a lot of the people that are in this situation are not people that are going to get up and write letters to the *Caymanian Compass*, write letters to the *Cayman Net News* or call into the talk shows. The partners of architectural/accounting firms, et cetera, they do not do things that way. Perhaps they should in some instances, but they do not, for whatever reason, do things that way and they much prefer to call people one-on-one to try and find out what is going on and to try and make some sense of what is happening within the country.

And so, there we were and I was like everybody else, anticipating that by the first sitting of the House of the 2006 calendar year we would have had some amendments coming forward to get us out of that uncertainty, to deal with whatever amendments needed to be dealt with so we could move forward from a position of certainty again and so that we would not have emails flying around like some of them that I saw, emails from people that are President of the Anguilla Financial Services Association emailing service providers in Cayman saying: *'We hear such and such about immigration, so any good lawyers, any good accountants that you have with good off-shore experience send them on. We want them.'* That is the message that was out there. And if the Government does not know it, then there is a great disconnect between reality and how the Government is operating.

So, Madam Speaker, given all of that, we had a real, real shaking of the ground. If that was not bad enough, we then had the Honourable Minister of Education decide that he was going to throw his two cents into the fray and that he was going to start talking about Caymanians and their relationship with non-Caymanians. It is funny, Madam Speaker, it is funny how time can change. Short periods of time can change perspectives so dramatically.

Madam Speaker, almost one year ago to the day—almost three years ago—sorry, Madam Speaker, to the day that same Honourable Minister in this House said and I quote: **"Mr. Speaker, we are fortunate in the Cayman Islands to have such a harmonious situation which is not to say that there are not prejudices and manifestations of**

prejudices but happily, as we have seen recently in the Oath of Allegiance taken by those people who are bestowed Caymanian status there is willingness among all elements in Cayman society to co-exist. I wish to say that this Immigration Bill will enhance that willingness.

"This Immigration Bill will remove the distinctions between the different Caymanians. This Bill will make it possible for those persons who are awarded Caymanian citizenship to be able to live in this society and to feel that they are genuinely equal and welcome.

"I commend the Bill. I am privileged to have been a witness and a participant in this historic occasion and I look forward and will forever labour to make the Caymanian society the most democratic, the most fair and the most cosmopolitan society, not only in the region, Mr. Speaker, but in the world." [2003 Official Hansard Report, page 1245]

Now, Madam Speaker, certainly the Minister (the now Minister who was then in the Opposition) made mention that there were prejudices, and he acknowledges that there would be some. There is no country without that. None! Some people do not like this type of people; some people do not like that. That is normal. Unfortunately, it has become normal (I should say) and it has become the norm. What he did speak to very loudly, and which I agreed with then and I agree with today, is that in the Caymanian context we have managed to take, as I understand, some 100 nationalities, compact them into some 52,000 people into 114 square miles and have social and economic harmony and to have a situation in which Caymanians have had great opportunity in this country to move forward and to get an education, so much so that our fathers who were at sea could come home, take up their places in society, find jobs, find employment and no longer have to be forced to leave their homeland to be a merchant marine.

I can remember clearly speaking to my colleagues when I saw the headlines. When I saw the headlines quoting the Minister I was shocked, disappointed and shocked, that a Minister of Cabinet—especially that Minister of Cabinet—would then take it upon himself to get out and to talk about Caymanians resenting non-Caymanians. Madam Speaker, if he only just found out that there are some Caymanians that resent non-Caymanians . . . you know, he has had a slow learning curve. If he has just found out there are some Caymanians that will hold down a Caymanian more than any foreigner can, then he better wake up and smell the coffee and really start learning what is happening out there and really start learning what is happening within the financial services, because he speaks sometimes as though he is the only one that knows anything about the financial services.

Madam Speaker, Third Elected Member for Bodden Town and I, during our days in audit, went to

more business places and interacted with more people in the financial community on a personal level and were able to see what really happens in offices than the Minister of Education will ever see—ever see—because, as we know, his profession does not afford those types of opportunities. You sit in an office, you receive legal documents, you opine legal opinions and you draft and put together agreements and structures.

So, Madam Speaker, you know, the Minister is always on this kick to want to make it appear as though anything that he says in regard to the financial services community has to be biblical because he knows. One thing that I do know is that the financial services community in the main (and while a lot of them will not tell him) are very concerned about Cabinet Ministers like him in this country. And they should be, because none of us in this House . . . we know the challenges that are out there. We need to work about policies and solutions for the challenges that are out there, not jump into the fray and cause rifts and cause uneasiness and to cause excitement.

However, Madam Speaker, I must say the strategy of the Government today is one that I applaud because what they have done is they asked the Honourable Minister of Tourism (he obviously consented), and he came and he really came with a disposition, other than a few unhelpful remarks and remarks that were not necessary, but that is just the politics of it. Other than that he really tried his best to talk about: Let us have unity to talk about certainty and clarity and harmonious relationships. I suppose, Madam Speaker, the Christmas season probably got the better of him as well.

What will come behind me, Madam Speaker, are the diatribes. What is going to come behind me is all the talk: *'Well, they are talking about this now but they should have been talking about that when the Cabinet granted status'* because, of course, they hang their hat on that so well. That is the one that every time they need to go out to the wall and put their hat on something there it goes. There is the favourite robe hook!

[Inaudible interjection]

Mr. Rolston M. Anglin: The favourite robe hook. Of course I will bring it up. Of course I will bring it up.

[Inaudible interjection]

Mr. Rolston M. Anglin: Madam Speaker, we knew from the very outset of the IRT that we were going to have somewhere around 10,000 people acquire Caymanian status, and the public needs and deserves to be reminded of that. Now, we said all of this from 2003, as the honourable Members here know. But you go into the public and ask how many of them remember us saying that.

Now, Madam Speaker, where else in this world could there have been a class of legislators and

a government that would bring an amending piece of legislation that was going to—and we knew with reasonable certainty over a relatively short period of time—increase the fixed population, the permanent population in the country by somewhere around 10,000 people. We knew that. I think most Caymanians had long accepted—most reasonable Caymanians—when they continued to hear the statistics and continued to hear the plight of immigration, they knew that something like that was coming. It was a corrective measure, Madam Speaker, because we had gone for well over a decade and not granted any tangible amount of Caymanian status, and at the same time we had not broken people's stay. People were allowed to stay and, therefore, we wound up in a situation where, if I remember correctly, there were some 2,000, some 2,500 people or so, that were over 15 years. There were some, I think it was almost 3,000 that were between 10 and 15 years, and I think there was another somewhere around 3,500 that were between 8 and 10 years.

So, we knew, Madam Speaker, what the numbers were looking like. That is the truth of the situation. That is the bottom line of the situation. How you get there in fixing the problem, Madam Speaker, is one thing and people can argue about that all they want. The bottom line is, the problem was there and it needed to be fixed.

[Inaudible interjection]

Mr. Rolston M. Anglin: And my colleague is reminding me, from what I can understand, it is . . . 40.

And so, you see, Madam Speaker, we have arrived at a point in time when we can now look back three years and we see in some of the amendments being proposed by the Government that some of these items are necessary. What we also see though, Madam Speaker, is a continuation of a lack of recognition of what is needed overall to get immigration and the Immigration Department to where it needs to be so that it can serve the public and deliver on the mandate and the expectations that are contained in the Law and that exist within the population of the country.

Madam Speaker, this Government and the next government, and the government after that, are all going to continue to be like the man who tried to grab water and hold it. When you do that, Madam Speaker, you get awful wet, but you have very little to show for it because we know you cannot grapple and hold water with just your arms. What is needed is a fixing of the situation.

The Minister of Tourism has said you need to freeze it, and that is a good analogy. What I can tell him is that nowhere in these 63 pages do you freeze it and here is why.

Madam Speaker, firstly, immigration work permits will never be current—that is my prediction—not as long as you have a voluntary board system that our political appointees who make those decisions

and try to grapple with it on a voluntary basis. Madam Speaker, our numbers have simply outstripped the system. Outstripped the system! You would need to have five work permit boards full-time working every day of the week to be able to keep up. It is so far behind, Madam Speaker, that from years ago policy-makers made the decision to grant the Immigration Department the right to issue temporary work permits. And so, what do we do? We say okay. We give the Chief Immigration Officer or his designate the authority to temporarily allow people into the country to work

Now, Madam Speaker, let us think about that for a minute as legislators. We have a system, yet right now if we were to end the temporary system of work permits this economy would collapse! It would collapse because the orderly processing of a work permit is so far behind that people would not be able to keep up with their personal or business lives. Suppose your helper got sick. Let us take it to the personal level. Your helper got sick or you just had a baby and you need your first helper. Not an easy hire. Certainly if there were not available temporary permits people would be in some serious dilemmas.

I have yet to hear the Government acknowledge that fact and acknowledge that there needs to be a whole scale rethink about the administrative system that underpins immigration in this country.

Madam Speaker, the Immigration Department through work permit fees earns millions of dollars.

[Inaudible interjection]

Mr. Rolston M. Anglin: Do we not think that we should be putting some more of that back into the system so that work permits can be dealt with administratively so that we can have a system where in a short period of time a person can submit an application and have an answer back that deals with work permits?

[Inaudible interjection]

Mr. Rolston M. Anglin: You see, Madam Speaker, we got this great system where we are allowed to give our favourite chosen few appointments to a board. And we know the Work Permit Board is the most prestigious one. People love that. There is always a clamour for who can get on the Work Permit Boards after an election. Madam Speaker, all of us know that that aspect of the system is broken. The Honourable Leader of Government Business was looking a little taken aback at these comments I was making, but he did offer that if we had any comments at all and any other suggestions in addition to what they are currently doing that we should put those forth. That is what we are doing. We are putting forth good, practical ideas that are greatly needed in the country.

Madam Speaker, one could envision that if we were to have a properly resourced Immigration Department that dealt with whether or not a person should be granted the work permit plain and simple . .

. the granting of a work permit should not be any mystery. You have the law. You have the advertising requirements. You know the needs that are in the economy. There should be a simple checklist that is developed and someone sits behind a desk and you rotate them and they simply check the box. If the person qualifies they are granted the work permit or granted the renewal. If they do not qualify they are not granted it.

We certainly could then continue to have a board that is more like an appellate body so if an application comes that the Department is not comfortable with then the Board would hear it. If there is an appeal, certainly we do not want to have to create a system where Caesar appeals to Caesar, so you would need some outside entity, I would think, for which appeals would have to go to for denials. And so, Madam Speaker, that is the type of long-term vision that is absolutely critical at this juncture for immigration.

Now, I know somebody is going to get up and make the usual comment: *'Oh, well. When they were there why didn't they do it?'*

Madam Speaker, Rome was not built in a day and certainly in this whole business of running a country there is always much work to be done. I can remember when we brought the 2003 Law, one of the last amendments put into the Law was creating this system of three Boards. And all of us on this side can remember clearly. We pined over that because that was a change. Will people accept three Boards versus one Board? I think history has proven that the three Boards have done wonders in terms of easing that burden when it comes to having to deal with all the various aspects of immigration which would be: work permits (which is the employment side), the residency side (which is permanent residence and status), and what we created, the business side, the Business Staffing Plans.

Madam Speaker, we have become an extremely sophisticated jurisdiction. Yet, in the crucial area of immigration the truth is we need a rethink and we need to look at where we are and admit to ourselves where there are fundamental weaknesses that cannot be addressed in any other way than to simply spend the money. And anybody who knows us knows that we are on the fiscal side. We are conservative and so we would not be advocating these points willy-nilly, but immigration is so crucial to the social and economic survival of all of us in our country.

We have to look at this and we have to be bold and we have to be visionary and we have to accept that change is necessary. Change creates opportunity and that type of change would be the type of change that could take us to the next level. So, all of a sudden Government could be dealing with immigration in a completely different way instead of continually being sucked into the vortex and the muck that is immigration.

There is no country in which immigration is any political winner and it is an easy sell and it is a topic that is easy to deal with your nationals on, or non-nationals. That is just a fact. That is just a fact. That is just how life is. Those that are the incumbents that have the rights and privileges typically will see others in different ways, and in some ways they see them in threatening ways. In the United States, a country of 300 million, they have fears of being over-run, much less a country like ours where there are, from the statistics, 24,000 Caymanians, 52,000 total which means then . . . well, everyone here can do that simple math.

Now, what I find amazing is that there would be people who would say that the legislators and the community are xenophobic. Madam Speaker, what we have here in Cayman is a miracle. We need to continue to build. Madam Speaker, when we see a situation where the Government is genuinely going to do what we believe is in the best interest of the business community of Caymanian people then we would have no problems supporting amendments. But, Madam Speaker, with what has transpired over the last 15 months we would have to be more than concerned and, Madam Speaker, just with what has been created we would have to be in a situation that causes us to have great difficulty in supporting what the Government is seeking to do.

Madam Speaker, to speak to some of the specific provisions that we do not believe are in the best interest of the community, let us first deal with this whole business of Cabinet exempting categories. In a small parliament like we have, we already have the struggles that deal with how the executive sits and runs the country on a day-by-day basis and comes down to the legislative arm of Government with, literally, very little structural check and balance on their opinion and their authority. That is a fact. That is not an opinion. That is a fact.

We have eight Members on the Government Bench (five Elected, three Official) that make up the Cabinet along with His Excellency the Governor, and we have four Backbenchers. So, on the best day the four Backbenchers on the other side are outvoted five to four. Hence the reason I have for a long time . . . and anyone who has listened to me carefully has always heard me say that it causes me great concern when you are going to talk about democracy and you are going to talk about governance.

Now, Madam Speaker, let us look at the practical aspects of this. Do we envision a situation where there are going to be categories of business that are going to pop up over night out of the blue that nobody could envision? And when they come up we need to make sure that Cabinet can be there on a Tuesday morning and meet and say, *'Ah! You know what? A new one came up last Wednesday, a new category came up yesterday. We need the Honourable First Official Member to bring a paper to Cabinet because a*

new category of employment has just come up. Couldn't see it coming, guys. We gotta exempt it.'

Come on! We know better than that, Madam Speaker.

I am glad that the Minister of Tourism is agreeing. And since he is agreeing I want to hear him vote against that amendment or ask for it to be removed.

Madam Speaker, if there is need for having categories exempted, that should be left with the legislative arm of Government because we know they are not going to come up overnight. We know this is not something that is fluid and is going to change constantly, so this should come to the public. This the public's House, you know? This is the public's House. Remember how our democracy works. The public sent us to this House, this Legislative Assembly, hence the reason there is a public gallery. The public has no rights, Mr. Leader of Government Business, to come to the Glass House and overhear the proceedings of Cabinet.

[Inaudible interjection]

Mr. Rolston M. Anglin: So my plea, our plea to yourself and the Government Bench, is to think carefully about that amendment. Do not think of it as yourself sitting there. Think about it long term. I do not believe—we do not believe—that is in the long-term best interest of this country. I think if there are categories that the Cabinet currently feels should be exempted they should put those provisions in the Law and pass them here and now. Then, as and when we see new categories, you bring a bill to the House, you have the public discourse and you put it in the legislation. The House meets four times a year. The House can be called back if there is an emergency. So for what reason is it that that specific provision needs to be crafted that way? I do not—we do not—believe that is good governance. We do not believe it is good legislation. We believe it runs contrary to good governance, Madam Speaker. So, we cannot in good conscience support that provision. If this Government passes it we can make the public one promise: When there is a change in government at the polls at the next election that will be changed.

The Speaker: Honourable Member, is this a convenient point to take the afternoon suspension.

Mr. Rolston M. Anglin: Madam Speaker, I did not have that much longer to go and since I am . . .

The Speaker: Okay, continue.

Mr. Rolston M. Anglin: Madam Speaker, this Bill also calls for a change in the permanent residency structure. We went through great pains at coming up with a permanent residency structure—that is, the first Immigration Review Team that created the 2003 Law,

or created the recommendations that caused the creation of the 2003 Law. We, Madam Speaker, looked at a lot of different jurisdictions to try to come up with certain competitive advantages and certain ideas that we felt would be of benefit to the Cayman Islands, one of which is the entrepreneurial retiree permanent residency system.

Now, the Government has said that because the criteria on that is stringent . . . and I am not sure if they have even had any applications thus far. If the country has seen an application (just a very few applications I am being told—two applications thus far) it is difficult to meet the criteria. Madam Speaker, I have not heard anyone, though, get up and really say that the concept is a poor one. The concept was that if you were going to come to the Cayman Islands and create more than 15 jobs and have certain investments—do not quote me on that . . . [pause]

Madam Speaker, here it is, the Permanent Residential Certificate for entrepreneurs and investors. The structure of the system was that the person had to bring certain technical expertise and knowledge to the country, invest certain sums of money and employ a certain amount of Caymanians and they were then able to get a Residency and Employment Rights Certificate, a residential certificate for entrepreneurs and investors.

Now, Madam Speaker, because no one has been successful in having an application heard, that does not mean that we should simply throw the system out. What happens if the day after this amendment is made a good opportunity comes to the country, someone does meet the criteria and the Department sat down and looked at their application and said, *'This person meets the criteria and this is exactly what this provision was envisioning.'* In other words, Madam Speaker, if that provision was being abused we would have no issues with the Government coming to the House and saying— [pause]

Madam Speaker, I am being pulled here, there and everywhere. The House wants me to break, Madam Speaker, because . . .

The Speaker: Honourable Second Elected Member, please continue your debate.

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

As I was saying, if this provision was being abused and we saw it as an area of great concern, then yes, we would have to then ask the Government to give us some evidence and prove how it was being abused. But why are we going to throw out an infrastructure that is in a Law?

Madam Speaker, quite frankly, we believe that this is just a part of an attempt to try and make as many changes as possible because 15 months ago the declaration was made that the Law has as many holes as Swiss cheese, so if the Government could not come up with as many amendments as possible, then they would not be seen as doing something. That

is just how it appears and feels to us. I cannot say whether or not that is the case, I am saying that is how it appears and feels to us sitting on this side. Why remove provisions if they are not contrary and they are not provisions that are causing problems in the country?

In regard to persons of independent means, Madam Speaker, the original IRT that was created in 2001, the genesis of that system was that we wanted to attract persons who were going to invest in the country, but persons that we felt reasonably certain would not, at some point, seek to become re-employed. The reason we had the age limit is that we wanted it to be an age such that we felt reasonably certain that it was not an investment manager who struck it big in hedge funds and became a multimillionaire in his mid 30's, which, Madam Speaker, this has happened a lot in the United States and in Europe. When we look at the guys that were a part of the dotcom craze, a lot of wealth was created within very young entrepreneurs and professionals. While we can give them the certificate that prohibits them from working, when you are that young how likely is it that that person is not going to become fidgety and want to get back into the fray and do something?

We felt as though 55 was an age that really started to remove the likelihood of that. Remember now, this is in the backdrop that we estimated that there would be somewhere around 10,000 people that were going to get status, of which a lot are young professionals. So, we felt that when we looked at how the country was going to look at the end of the transitional provisions we were going to have a very diverse and robust group of people to really move Cayman forward in a positive direction. And what we felt would be a good supplement was a clear system where we could get a good balance now and compete with Florida and Phoenix and California for wealthy retirees. And one thing we know about people like that, they spend a lot. They are not going to have a lot of young dependants because children of the average 55 year old are over 18. So, we did not see then there being a risk on a broad scale of those persons having children who were going to be accompanying them as dependants.

If we look at this amendment, what happens when the 34-year old, who has made his money, has his wife and three children as dependants? Yes, we clearly say in the legislation they will be dependants. We then also say that at the end of the term or when this person dies or when they reach majority themselves, they can then apply in their own right. So, if the father or mother is worth multiples of millions, you divide that among the three children and with some growth in that money those three children are going to be wealthy, other things being equal.

Do we want to set a system up where we are going to then have an unknown number of people in that category then saying, *'We are going to apply for our 25-year certificate in our own right'*? The Govern-

ment has said that once you write it in legislation those people, as I understand it, are not going to have any legitimate claim in their own right of . . . the only word that comes to my mind is unabated security of tenure.

Madam Speaker, I am not so sure that is a risk . . . I can say that is a risk we on this side are not willing to take and be engaged in. Let us think about this now. We are going to have a person, let us pick a number, 40 years old. He has a ten-year old, a five year old, and a three-year-old child and a wife or a husband—a spouse. And so, their 25-year certificate ends when they are going to be 65. The ten-year-old child, by the time he finishes college—and let us say he does a Master's degree—he will have had the Cayman Islands as his home for about 13 years. The three-year-old child would have had the Cayman Islands as his home by the time he finishes his college and master's degree. I am assuming masters, Madam Speaker, because most people are going to about that level now on average. He will have had the Cayman Islands as his home from the time he was three years old.

Are we thinking that the world is going to remain so static and the UK is going to be so benevolent that they are simply going to let their little colony called the Cayman Islands with an unknown number of people in this category now. Their children have worked, have gone to school, they have moved, they have lived in these Islands. This is the only home they know. Are we so sure that the UK is going to be so benevolent as to say, *'Oh, yeah, Cayman. You know, you wrote it in law so good job. You were really future thinking. There is nothing we can do. It is in legislation.'*

Well, you know, in our minds we are not comfortable that that is going to be able to survive scrutiny and testing and probing, testing either legally through the court system, testing either through people lobbying the Foreign & Commonwealth Office and the Foreign & Commonwealth Office then having to look at their obligation vis-à-vis the European community and the European Convention on Nationality.

We are not at all comfortable with this change, Madam Speaker.

I think if the Government really takes a very hard look at the numbers and the persons who have either already secured permanent residency, and are likely to secure permanent residency—that is, the professionals in the country—we will see, I believe, that we have created a lot of wealth because we understand that in an economy you need a strong middle class. The middle class is the bedrock of any affluent society. Any society that you want to build has to have a vibrant and strong middle class.

We believe that that is going to be the case once the transitional provisions of the 2003 Immigration Law which we passed during our term . . . and I know the Minister of Tourism had questioned a few times during his debate whether or not we accept that

it was our Law. We accept that it was our Law, everything that is in it. Everything! And the Honourable Leader of the Opposition was the then Leader of Government Business, so of course he accepts it to be his Law. But, of course, you know the little political games will be played.

[Inaudible interjection by the Honourable Leader of the Opposition]

Mr. Rolston M. Anglin: So, Madam Speaker, we believe that we are going to be at a very good spot, a very convenient spot as an Island. While, yes, there will be some of the conservatives out there that will continue to say, *'Oh, well. The whole system was too liberal.'* What was done was what had to be done. Hence the reason it could have won the support of an Opposition that if we sneezed the wrong way were ready to jump down our throats. If we coughed out of place they were ready to walk out of the House.

[Inaudible interjection by the Honourable Leader of the Opposition]

Mr. Rolston M. Anglin: And, Madam Speaker, if we uttered things using the wrong phraseology, perhaps they would have even walked out. So, we know that in 2003 we did the right thing.

Now, Madam Speaker, the last point I want to make, the current Law, section 50, is a section that I would implore every resident to read, especially section 50(2) of the Immigration Law, and, Madam Speaker, section 50(2)(e). Let me read the introductory section: **"Where, at the 1st January, 2004, a work permit holder has worked continuously in the Islands for an aggregate period, inclusive of the period of his current permit and of any period he may have spent in the Civil Service . . . [section 50(2)(e)] in excess of 15 years he may apply on or before the 1st January, 2007 for a grant of permanent residence and he shall, in the absence of exceptional circumstances, be granted permanent residence under section 29."**

Now, Madam Speaker, you can have your minor tweaks of legislation, but I read that because I found it amazing that the impressions that the Government has put forth would lead one to believe that that section never existed in the Law. It would lead one to believe that this Immigration (Amendment) (No. 2) Bill, 2006, is creating these new rights.

Madam Speaker, while lawyers . . . you know the old saying, lawyers get paid by the word so, you know, that is the reason we are going to have 63 pages of amendment. The reality is in terms of what was good and positive in the Immigration 2003 Law there is not much that is being added here, Madam Speaker. However, there are numerous provisions.

The last two that I have alluded to that do cause great concern about what this Bill is going to do to the system of immigration and in regard to how the

system operates and the inherent inefficiency within the voluntary board structure when it comes to work permit grants, we clearly see there to be a real lack of being bold, being futuristic and saying: What do we do now to really fix that aspect of the system? We are not talking about the Business Staffing Plan system or the Permanent Residency and Status Boards. Those we envision to still comprise voluntary appointments that could deal with those in a reasonable period of time.

Madam Speaker, the system broke down a long time ago. We now put the Chief Immigration Officer and/or his appointee in an untenable position of having to singly deal with allowing foreign nationals into this country on a temporary basis, on temporary work permits. I mean, the more I think about it, the more I realise just how ridiculous a system that is. Temporary work permits.

The system needs a complete overhaul. We know that the other side is going to get up and they are going to say, *'Well, they should have done it when they were there. Why is it now that that is what is being championed?'* and they are going to quote some years, three and a half years and act as though in three and a half years everything could have possibly been done.

Madam Speaker, the reality is this: We implore the Government to not think along those lines, to listen closely to their Minister of Tourism—listen very closely to him—to think carefully about the unity that is needed on these issues; the certainty and the clarity that are needed on important issues like immigration. The Government also needs to have a rethink on the spirit of the amendment Bill. The Government, I believe, needs to take full responsibility for the last 15 months. The Government needs to clearly tell the country what business opportunities have been compromised—business opportunities in the country that they know about, and what they are going to do about losing further opportunities to other jurisdictions.

Madam Speaker, all of us in here clearly understand the nature of our economy and clearly understand the makeup of our work permit force and what we need to do to preserve the future for our children and our grandchildren. That is what this debate has got to be about, Madam Speaker.

So, we await the response from the Government and hearing precisely whether or not the Government did mean what they said when they said that they were going to listen and they were going to take on board ideas that were positive, because we believe that we have put forward ideas that are positive, that can help the country move forward and be a better place.

Madam Speaker, at this time of year I take this opportunity to wish for all of us and our families, and all those in the community, a joyous Christmas, and a blessed and healthy New Year.

Madam Speaker, we, the four members from West Bay, had planned (based on the timing) to have our Senior Citizens' party tomorrow night and so there

is a lot of work to be done and we need desperately to attend to that late tonight and all day tomorrow so that the function at which we anticipate to have probably 250 people attend can go off smoothly.

So, Madam Speaker, I thank all honourable Members and we certainly look forward to hearing how it is that the Government will view the positions put forward by the Opposition.

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

The Second Elected Member for the district of Cayman Brac and Little Cayman.

Mr. Moses I. Kirkconnell: Thank you, Madam Speaker.

I rise within this honourable House to offer my contribution to the [debate] on A Bill For A Law To Amend The Immigration Law (2006 Revision) To Introduce New Concepts To Redefine Existing Ones; To Widen The Powers Of The Chief Immigration Officer; To Vary The Composition Of The Boards; And For Incidental And Connected Purposes.

Madam Speaker, before going forward, I feel it prudent to put this Bill into perspective, particularly because so much attention has been paid to this Bill and it has been festering for such a long time that our community itself is polarized on each side of this. I would just like to reflect for a moment on the history of immigration.

Human migration has existed for thousands of years, Madam Speaker. Immigration in the modern sense refers to the movement of people from one nation state to another where they are not citizens. Immigration implies long-term permanent residence by the immigrants. Tourists and short-term visitors are not considered immigrants, however, seasonal labour, which typically lasts for periods of less than one year, is often treated as a form of immigration.

The global volume of immigration is high in absolute terms, but low in relative terms. The United Nations estimates 190 million international migrants in the year 2005, about 3 per cent of the global population. The other 97 per cent still live in the country where they were born. The modern idea of immigration is related to the development, especially in the 19th century, of nation states with clear citizenship criteria, passports, permanent border control and nationality laws. Citizenship of a nation state confers the right of residence in that state, but residence of immigrants is subject to conditions set by immigration law.

The nation state made immigration a political issue by definition. By definition the homeland of a nation is defined by sheer traditions and/or culture. In most cases immigrants have different traditions and culture. In many developed countries this has led to social tensions, racial intolerance and conflicts about nationality and national identity.

Madam Speaker, we feel today that the debate on the Immigration Bill is unique to the Cayman Islands. I wanted to open my contribution briefly talking about the history of immigration itself and what other countries in the region and in the world have been through when it comes to migration of people for economic benefit, which is the reason they have migrated to the shores of Grand Cayman especially.

I do not want us to think that what we have been through as a country for the last months is unique to us as a population, but to help us realise that it is a situation that happened because of the economic success of the Cayman Islands and something that we, as legislators, must deal with in the right way to give security of tenure to the people that need that to build this country.

The Cayman Islands are no longer *The Islands that Time Forgot*. We have successfully come into our own as a major player on the world stage. We have reached this point . . . the reason was no accident, or sheer stroke of luck, but instead by the fortitude of nation builders and the foresight of visionaries who were bold enough to make changes for a better community.

These beloved islands belong to the indigenous Caymanians, and to all those whom we have welcomed to live amongst us as citizens. This is our home. We have the responsibility and constitutional right to decide the best direction for our home's future. We must move this Bill into law to give comfort to citizens of this country; to give them a roadmap to follow which directs them to security of tenure that they and their employers so desire.

This Bill will chart our course and seeks to ensure that the future of these islands will remain in the control of those to whom it was destined—the Caymanian people. We are at a significant crossroad in our history and must take a hard look in the mirror and ask: For whom are we developing? Surely, Madam Speaker, the answer must be that we develop for the current and future generations of Caymanians.

Madam Speaker, I want to discuss some of the amendments in the proposed Bill. In my view these are the most significant issues and the ones that will have the most immediate impact on the employers and the workers.

Section 29 has been amended to clarify the criteria used to determine the granting of permanent residency. It clearly recognises that the points system is the most objective way forward and it corrects duplication of steps and the double work created by existing law.

Significant also is the redraft of section 50 in which provisions for term limits are enhanced and irregularities removed. Of particular interest to families on work permits should be the provision for spouses of workers who have reached their term limit but the other spouse has not. The new provision allows said spouse to apply for a further work permit for only the period through to the expiration of the spouse's per-

mit. This provision shows sensitivity on the issue of separating families and gives security of tenure to the family as an entire unit in the country. This section includes persons employed by the Cayman Islands Government, Government statutory bodies, or Government-owned companies and persons in the Islands employed by the United Kingdom Government.

Of paramount importance, and not to be overlooked, is section 50 (20), a provision that requires the Board and the Chief Immigration Officer to inform the worker and his employer of the term limit upon the grant of a new work permit, or upon renewal of the existing permit. In other words, the worker will be notified in writing at the grant of a permit of the date on which he or she reaches the term limit and, ultimately, the last possible date to remain gainfully employed in these islands. No more guesswork. No more surprises. Through written communication each individual on a work permit in these three Islands and their employer will know exactly what to expect and how to plan.

Amendment to section 47, a provision which I believe will go a long way in easing the concerns of the business community and allow for proper succession planning. This provision allows an employer to make an application to the Board to have their valuable employees approved as exempt or key employees at any time during their existing work permit period. The current Law only allowed for such an application to be made at the time of the grant of the work permit, or upon its renewal.

These proposed changes will remove the confusion and inequity in the current law and will help foster a better relationship between the business community, work permit holders, and the Immigration Department.

Allow me to concentrate now on how I believe the proposed Bill will affect my constituency of Cayman Brac and Little Cayman, Madam Speaker.

As you are aware, Cayman Brac and Little Cayman have not attracted large businesses or multimillion dollar investors, nor have we achieved the economic success of Grand Cayman. Consequently, our imported labour is not primarily comprised of professionals, such as attorneys, accountants, and bankers, but, rather, more service personnel and unskilled labour, which is generally a lower income bracket. Most of these workers, Madam Speaker, are thoroughly integrated into our small community and many have made significant contributions, both socially and economically. Hence, it was important to the constituents of Cayman Brac and Little Cayman to make provisions for all workers as well as professionals by creating a more level playing field within the point system.

We are satisfied that the Government considered the needs and the Residency Board directives now provide parity for all workers who have been here long enough to apply for residency.

While speaking of parity, let me take this opportunity to talk a little bit more about Cayman Brac and Little Cayman and the new Immigration Board guidelines that are being mandated.

Amendment 4, amendment of section 5, Cayman Brac and Little Cayman Immigration Board. It says: **“The principal Law is amended in section 5(6) by repealing paragraph (a) and substituting the following: ‘(a) the processing and determination of applicants for the grant or renewal of work permits other than for an employer with a Business Staffing Plan Certificate applied for by person who are seeking gainful occupation in Cayman Brac or Little Cayman.’”**

What is different from the Law is that they have removed the Business Staffing Certificates. The guideline itself has made clear that the Cayman Brac Board cannot deal with that. And I will talk about that after this. But in the spirit of this Law and for clarity, and for what this can accomplish for the community of Cayman Brac in establishing back office jobs and attracting businesses from the financial community of Grand Cayman. I want to walk through this and have a lot of clarity on the spirit and what this allows companies like Walkers, Appleby, Maples & Calder, Ernst & Young, the big financial houses that are looking for other opportunities in the Cayman Islands.

What this clearly says is that if you have a company in Cayman Brac and you are applying for a Gainful Occupation License you apply to the Board in Cayman Brac. The example being that if it were Maples & Calder wanting to set up their HR division or department, or a separate company that handles that for them, or young entrepreneurial Caymanians that wanted to set it up in Cayman Brac, as long as they have their company in Cayman Brac and they had contracts to do business in Grand Cayman, the permit that is granted by the Board in Cayman Brac will allow their technicians, their attorneys, their accountants, to live in Cayman Brac, work at the company in Cayman Brac but service the clients of the company in Grand Cayman.

What that also does is tweak the economy of Cayman Brac which desperately needs back office jobs, professional jobs and encourage them in an “incentive-ised” way to move some of the work they have in Grand Cayman to Cayman Brac.

I want to go just a little bit further with that: Again, in the spirit of the Law, if you read through it and you look at how this can go down and be applied . . . So now you are a large financial house and you have your HR department in Cayman Brac and you have people who are not key employees in Grand Cayman. But, when you look and realise that if your company has 14 people or less you will apply to the Board of Cayman Brac for the key employee status to be granted. “Before the Board can designate a worker as a key employee, the employer shall at the time of such application provide such particulars as to satisfy the Board that the worker fulfills one or more of the

following requirements and if so satisfied the Board may designate the worker as a key employee after taking into account such particulars if any under section 42(3) or (4) as relates to the application.”

The guidelines for this would have to be different when you consider the economic problems and the specific areas that we need development in for a sustainable economy in Cayman Brac and Little Cayman. Independently, the Board in Cayman Brac has the ability to designate a key employee that will become a part of that community and move on to qualify for residency. I would even go so far that maybe we could look at provisions to make sure that residency keeps them working and contributing in Cayman Brac and Little Cayman. However, I am sure after they have been there for a couple of years they would only want to stay.

“He is recognized as having particular expertise in his field of practice, trade or employment, and the Board recognizes that there is difficulty in attracting such persons to the Islands of retaining such persons within the Islands.” I believe that is a clear example that there would be a different criteria for the Board in Cayman Brac to look at how you attract workers of that category to those islands compared to how they are attracted in Grand Cayman.

“He is, or will be, directly involved in training Caymanians or developing their skills in the field in which he is employed or practises and his expertise in this regard is important to the effective continuation of such training.” Again I make the point.

“He is a professional employee whose expertise and skills are in short supply globally and are not available in adequate measure in the Islands and it is an economic and social benefit to the business of the Islands to attract such skills to the Islands. His absence from the Islands will cause serious hardship to his employer, a Caymanian, or be detrimental to the Islands.”

Let us take the example of a doctor. Cayman has many doctors. Cayman Brac at some times has one doctor. There would be a different set of rules as to whether he would be considered a key employee in Cayman Brac considered in Grand Cayman.

“His business contacts are or will be of importance to the continued success of the business or contribution to the Islands. There exists other economic or social benefits to the islands by virtue of securing or retaining the specialist skills or expertise. Or the circumstances of his particular case are considered by the Board to be exceptional and to justify a special reason to employ him or allow him to be designated as a key employee.”

I think that the spirit of this Law and how it will be applied by the Board in Cayman Brac gives us a way forward. It gives us a tool to sit down with the private sector, and it also is something that the private sector itself has talked about and given input as to what would stimulate the economy in Cayman Brac

and give reason for them to move some of their back office jobs.

So, I must say that I am very encouraged by how these read and how they can be applied by the Board in Cayman Brac.

The other part of this, is moving the Business Staffing Plan Board. For a company that has 15 people or more, they will now have to deal with the Board in Grand Cayman. I have a little bit of difficulty with that as we try to build our economy and as we try to make it easier to do business in Cayman Brac and Little Cayman. I would like to review this.

I ask for a commitment that it will be reviewed and understood that what we are trying to accomplish is the ease of doing business for companies that employ 15 or more and a simple solution may be that the Staffing Board . . . because I understand there is not the expertise at this juncture to have a separate Board. We could ask that the Business Staffing Board travel a certain number of times per year to Cayman Brac and talk to the companies there that have 15 or more and educate them and work with them in a very cohesive way to encourage them to continue to do business there.

Madam Speaker, I think you can understand the gravity of those amendments and what they can do in our continued effort to diversify and bring the back office jobs to Cayman Brac.

We must ensure that we build a society of cross boundaries, a well balanced three-tiered system which recognises the demand for skilled and unskilled labour, while at the same time creating for young Caymanians and protecting the interests of the people. I believe that this proposed Bill will provide this balance.

The now infamous section 50, fondly known as the "Rollover Policy" will serve to move us forward with this Bill. I believe that it has accomplished volumes when it comes to giving us a way forward for the economic benefit of Cayman Brac and Little Cayman.

If you ask me today if this Bill is perfect, I would say to you, no. Madam Speaker it is not perfect. It is a work in progress. It changes as the dynamics of the country change.

Is it a way forward? Absolutely!

Is it the direction we need to go? Yes, Madam Speaker. Clarity has to be put in place. We have to give comfort to the people of this country. It needs to be passed and it needs to be continually updated to benefit the people of this country.

Madam Speaker, I thank you for the time. I wish all my colleagues and everyone in this country a very merry Christmas and Season's Greetings. In closing, I support this Bill.

Thank you very much.

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

The Third Elected Member for the district of Bodden Town.

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

I rise to offer my contribution to the Immigration (Amendment) (No.2) Bill, 2006. In the spirit of Christmas, I will try not to be too controversial so that the Opposition can sleep well tonight.

[laughter]

Mr. Osbourne V. Bodden: Madam Speaker, the day started off with us suspending Standing Orders to allow the debate today.

[Mr. Cline Glidden, Jr., Deputy Speaker, in the Chair]

Mr. Osbourne V. Bodden: Make sure I say Mr. Speaker now!

The Deputy Speaker: I appreciate that!

Mr. Osbourne V. Bodden: I have to say that because we have a new Speaker temporarily. The Deputy Speaker has taken the Chair. Welcome sir.

Yes, I was saying that we started off by suspending Standing Orders to allow the debate to take place under the 21-day required period. I would just like to say that this was no easy decision for this Government. It is not something that we do as a matter of course. Contrary to what was the norm under the last administration, we agonised about it for a long time. But we had to do what we had to do to make sure that the timeliness of this piece of legislation would be in place for the beginning of the New Year and it is important that the public understand that.

I would like to start by applauding the efforts of the Immigration Review Team and Cabinet and all others who contributed to the amendments that we have before us. I certainly would like to pay tribute to the earlier legislation. The legislation provided the foundation for us to take this step forward and as has been said by other speakers today, there is no such thing as perfect legislation. I think we all need to understand that. But the issue of immigration will always be a hot bed, a very controversial topic, because it concerns basically "us and them." When you have that type of situation you are always going to have uncertainty and it is our job as legislators to ease that uncertainty and produce legislation that is both workable and palatable for all concerned.

Mr. Speaker, I want to congratulate this Government—my Government—for sticking to its guns under much pressure, under difficult circumstances. We have had a lot of debate in the public forum concerning this piece of legislation and I am sure it is not going to end today either. But a Government that was supposed to be indecisive has certainly shown that it can make a decision and stick to it!

We have listened and consulted widely over the past three months and it is manifested in the amendments being brought before this honourable House. For example, where we have the break in stay being reduced to one year, the renewal of permits following a temporary permit (which is a very sticky point), and also the . . . I will just use those for an example. The third one eludes me at the moment.

Those are examples of us listening to the public on this, Mr. Speaker, and making decisions that make it easier for people doing business in this country and for people coming to this country in the future to understand where things stand.

We are not the only small country battling with this issue at the moment. We have the example of Bermuda. I think they have a six-year limit. The British Virgin Islands is in the process of implementing term limits. So, it is nothing new, although there are not tremendous precedents out there that we can rely on. We are certainly doing our best to chart a course that will take this country into the future and give its citizens every chance to compete in their rightful environment.

Mr. Speaker, this whole aspect of term limit and rollover, there has been a mountain of support from the young professionals in this country including college students and younger high school kids who can understand what is going on at this stage in their lives. To a lot of people this is the Caymanian's only hope. Some see it as their last chance at holding on to what they call Cayman and home.

The rollover is not something that this Government has created. We have to make that clear because the Leader of the Opposition seems to think that everything . . . he got up this morning and he preached doom and gloom, and it all hinged on the rollover. He did not debate the issues as the Second Elected Member for West Bay did—

Hon. W. McKeeva Bush: No man! He doesn't know what he's talking about.

Mr. Osbourne V. Bodden: —he simply got up and punished the rollover provision which he piloted through this House!

Hon. W. McKeeva Bush: It was the way you did it!

Mr. Osbourne V. Bodden: So, Mr. Speaker—

Hon. W. McKeeva Bush: Mr. Speaker, on a point of order.

The Deputy Speaker: Please state your point of order.

Hon. W. McKeeva Bush: Mr. Speaker, the Member is misleading the House again—and for their own purposes! I know why they are doing it, but let me just give them the joy of their feeling!

We piloted the rollover. We are not backing off of that, so I do not know how he can say that. What I complain about, and what we have complained about is the fact that they have had a different policy and that is what we are saying has caused the confusion and the chaos.

The Deputy Speaker: Mr. Leader of the Opposition, could you state what was your point of order? Was it—

Hon. W. McKeeva Bush: The point of order is, Mr. Speaker, that they constantly mislead! That's the point of order!

Huh?

Clarification?

Anything that they want—

The Deputy Speaker: Honourable Member, please continue your debate.

Mr. Osbourne V. Bodden: Thank you, Mr. Speaker. I think the Honourable Member needed to stretch his legs, so that's okay.

Hon. W. McKeeva Bush: I wish you would stop stretching your mouth!

Mr. Osbourne V. Bodden: Mr. Speaker, we have persevered in the face of much criticism with this process. We have been criticized by the Leader of the Opposition and, of course, his criticism is one that is purely politically motivated.

Hon. W. McKeeva Bush: Yeah?

Mr. Osbourne V. Bodden: And, as I said earlier, the fact that he piloted the 2003 Law makes this kind of unbelievable because we are not fundamentally changing the Law; we are simply trying to fill some of the holes that we saw and smooth the process for proper working of the Law. As has been said, we may not get it totally right either. We may still have to come back and massage it some more. And it will continue to be massaged over the years because immigration is a dynamic business; and legislation by its very nature is dynamic.

Hon. W. McKeeva Bush: Dynamic? Yeah.
Dynamite!

Mr. Osbourne V. Bodden: Mr. Speaker, we have also been criticized in this country by a vocal minority whose only interest, in my opinion, is how many dollars they can get from this country. It is not about the betterment and the wellbeing of this country and its citizens. There are those who are here to simply get what they can get from the Cayman Islands and move on—rollover or no rollover. And they have been vocal

in expressing their displeasure at these changes to the Immigration Law as well.

We also have another category of individuals, and I would refer to them as selfish businessmen, or women, who cannot see past the dollar and the fact that they will have to get more involved in training and dealing with permit issues, I guess a lot more than they would like to.

Hon. W. McKeeva Bush: Yeah?

Mr. Osbourne V. Bodden: But, Mr. Speaker, I am in no way inferring that all businessmen are like this, but I am saying that there is that category out there that feels that way.

Mr. Speaker, I am a businessman in this country and I can tell you that the rollover or term limits will affect me. But that does not mean that because I am affected and . . . it comes back to the old saying that everybody's helper needs to go except mine. When I am affected, Mr. Speaker, I have to move on; I have to find another good employee. Just as I found the first one, I can find another one. There are a lot of employees who are looking to come to the Cayman Islands. Contrary to what a lot of people would have us believe, there are a lot of people who would still love to come to the Cayman Islands to work.

Yes, we do have various categories that we know are in short supply, and we have issues with them. We talked widely to the financial community as well as to the business community. We understand there are shortages of labour. For instance, accountants (my own profession), there are shortages of labour in those areas. But we have to be mindful, Mr. Speaker, that we do have in a majority of cases no shortage of labour and people who are willing to come to this country. Just as you found one good employee, that one—if he is that good—can recommend another good employee to you.

The Deputy Speaker: Honourable Member, we have reached the hour of interruption. I am not sure whether it is the intention to continue.

I call on the Leader of Government Business.

Suspension of Standing Order 10(2)

Hon. D. Kurt Tibbetts: Mr. Speaker, I move the suspension of Standing Order 10(2) to allow us to go beyond the hour of 4.30.

The Deputy Speaker: The question is that Standing Order 10(2) be suspended in order to allow the House to continue.

I recognise the Leader of the Opposition.

Hon. W. McKeeva Bush: Mr. Speaker, can the Leader of Government Business say how long he intends to sit?

The Deputy Speaker: Honourable Leader of Government Business?

Hon. D. Kurt Tibbetts: Mr. Speaker, we have a speaker on the Floor, we intend at least for him to finish. We will advise afterwards if we wish to go any further.

The Deputy Speaker: The question is that Standing Order 10(2) be suspended in order to allow the House to continue past the hour of interruption, being 4.30.

Hon. W. McKeeva Bush: Before you put the question, Mr. Speaker, it is good for him to allow the Member to finish, but if he is asking us to stay longer, the Minister needs to say how long the House intends to sit. It is not like we do not have something to do. We do!

Mr. Speaker, I am asking the Leader of Government Business to tell the House how long, whether it is half an hour, or another hour, or until 6 o'clock. What does he intend to do?

The Deputy Speaker: Honourable Member, there is a Member on the Floor. I am not sure we have an indication of how long the Member on the Floor is going to be. So, in the absence of . . . we know we are going until he finishes. My understanding is that the plan is to go on until he finishes and depending on how long that is will depend on whether or not we continue.

So, the question is that Standing Order 10(2) be suspended in order to allow the House to continue. All those in favour please say Aye. Those against, No.

Ayes.

The Deputy Speaker: The ayes have it.

Agreed: Standing Order 10(2) suspended.

The Deputy Speaker: The honourable Member for Bodden Town continuing.

Hon. W. McKeeva Bush: You feel good? Huh?
Bobo, you feel good?
He's a joker –

[inaudible]

Mr. Osbourne V. Bodden: Thank you, Mr. Speaker.

As I was saying, we have had our share of critics and those who have sought to create uncertainty and restlessness in the society during this process. Although we have been accused of that as the Government, because we are trying to get through this process, I beg to say that a lot of that, Mr. Speaker, has been instigated by the same Leader of the Opposition who, in his public utterances each time, shows that he either does not understand what

is going on, or that he just does not care when he opens his mouth sometimes—

Hon. W. McKeeva Bush: [*inaudible*] . . . up yours.

Mr. Osbourne V. Bodden: —because he makes statements that are destabilising to any country to have someone in his position make.

In conjunction with the Leader of the Opposition—

Hon. W. McKeeva Bush: Mr. Speaker.

The Deputy Speaker: Honourable Member are you rising on a point of order?

Hon. W. McKeeva Bush: The Member is continuing to insult this House, insult me as a Member of the House, and now he is talking about destabilising. I want him to show me what I have ever done to destabilise this country.

Rather than be destabilised, I have kept my mouth very much tight in these last 19 months to give Government all the room they want to negotiate or to turn 360 degrees if they want. So I do not know what he is talking about destabilising.

The Deputy Speaker: Honourable Member, could you clarify or substantiate the basis for your comments?

Mr. Osbourne V. Bodden: Mr. Speaker, it is my opinion—

Hon. W. McKeeva Bush: Uh-uh!

Mr. Osbourne V. Bodden: —that the Leader of the Opposition opens his mouth many times in a reckless manner, and that is my opinion.

Hon. W. McKeeva Bush: That may be his opinion, but I rise on the matter of destabilisation of this country and I want him to put the proof on the Table of this honourable House.

The Deputy Speaker: Honourable Member, you have made the point that that is simply an opinion that you have. Obviously, you do not have any factual information to carry that on. If we are in agreement with that you can continue.

Mr. Osbourne V. Bodden: Thank you, Mr. Speaker.

There is also, in conjunction with what I have outlined in terms of critics . . . we have had to battle the whole issue of the local media, in particular a local media house that appears to want to simply sell papers, or wants its own government. These are the stumbling blocks that this Government has persevered through to be here today to discuss this very important piece of legislation.

Mr. Speaker, I would like to use the example now of the need we have for this rollover policy. I use one example to show this country that we do understand, and why legislation such as this is so important.

For instance, in the financial industry you will have a foreign worker who comes academically qualified, but certainly does not bring the experience that the job he is coming to do requires. This happens all the time, Mr. Speaker. This is nothing new. And I am not taking any tales out of school. That foreign worker is then put as a supervisor, or a boss, or a manager, whatever, in charge of locals who certainly may not have the university degrees, but they can do the job. That foreign worker will sit there and be boss and be taught his job, his work, by those very same people who he is in charge of.

Mr. Speaker, if we do not have a rollover policy in place . . . because mind you, when that happens, in most cases they are told ‘*Look you have to teach these people how to do the job because one day they are supposed to take the job’ blah, blah, blah.*’ But, Mr. Speaker, more often than not, this does not happen. What happens is that the foreign worker who is smart (because he is qualified) quickly learns the job and then he solidifies himself in that job. He surrounds himself with his own people, in most cases, and the Caymanians . . . you heard about the lifting of the ceiling and the shifting goalposts, these are the things that are put in front of the locals where they never, ever, are able to reach that position.

That worker then eventually qualifies for PR, because he is not rolled over (we did not have that in place), and he goes on to get status.

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

Mr. Osbourne V. Bodden: Welcome back, Madam Speaker.

That worker is then locked into that position forever and ever, amen. And the Caymanians, unless they change jobs, are forever disenfranchised from ever gaining that position.

Now, do not get me wrong, Madam Speaker, I am not here advocating that if people cannot do a job they should be given it simply because of their nationality. That is far from the truth. However, I am a strong believer that if a local person can do a job and is qualified, whether it is through a university degree or from experience, they should be given every opportunity to prove themselves. This is the kind of example that the rollover policy, the term limit, will allow these people to ‘*find their foot and find their rightful place*’ in the workplace and not as some would have it, forever be picking up crumbs from the table.

I saw during this whole debate over the past year, nine months, whatever . . . I saw a letter in the paper that when I read it it burned so much I did not know what to do. I do not write as many letters as I used to, I just had to sit there and suck it up. But I think it was a Canadian national who wrote a letter

saying that 'Caymanians . . . where were we going with this rollover policy? It was a load of nonsense. And don't we understand that as long as we create jobs and have these people coming into the country that Caymanians would forever have jobs working for them.'

Madam Speaker, that mentality unfortunately is in many cases how people think. This is exactly why we need a rollover policy—because Caymanians should not forever have to be picking crumbs from the table. The ideal situation for this country is one where all Caymanians who are able are in their rightful spot and we supplement that with foreign labour. Those who are really good and who get key employee status and go on to get PR and status and we live in this country together and make it a better place. That is what we are aiming for, that is where we are headed.

However, it cannot be, Madam Speaker, that we have a country where the cream of the crop is always going to the foreign worker and our Caymanians are disenfranchised. It cannot be, Madam Speaker. Something is fundamentally wrong with that and this is what the Honourable Minister of Education was talking about. It was referred to earlier by the Second Elected Member for West Bay who said that the Minister had talked about the resentment of Caymanians. Well, unfortunately, this is where it stems from. If we do not strike a balance and get this right, then we are going to have resentment and social problems in this country.

Madam Speaker, it is important and it cannot be overlooked and therefore everyone who is Caymanian—and we are all Caymanian in here. We should understand this and we should not knock the fact that this is the way to go forward.

Madam Speaker, this is nothing new, even from the 2003 Law. This is something that was called for in terms of Vision 2008 (and all the planning that went in to that back in 1998) and the need to have sustainable growth and the term limits in this country. So, we are not really charting a new course here. We are simply following up on the needs of this country that have been expressed in one of the many reports and studies that have been done over the years to create a Cayman that certainly will be one we can all be proud of; be a part of; and have ownership of.

Madam Speaker, as I said before, we do understand the needs of the workforce. And I do not want anyone to be under any illusion that this Government does not, because this Government has taken the time—we have consulted widely, we have talked with many of the stakeholders, and it is because of that that we have the amendments that you see here today.

This is not a reckless government, Madam Speaker—far from it. This is a very conscientious Government and I believe that if we can tie this in to the reform in our Education system . . . because this cannot happen in isolation. I do not stand here thinking 'Oh, suddenly tomorrow we are going to have ten

thousand newly qualified Caymanians to fill these jobs and, oh, foreigner you leave this country we don't need you.' This is not what I think, and that is not what this Government thinks.

As I said, we need for our people to play their rightful parts. For them to do that, Madam Speaker, it is incumbent upon us as a country, as a government, to make sure that our people are properly trained. I think this is where it has broken down in the past because the Education system has lagged behind and we have had maybe 20 per cent, or 30 per cent at most, really coming to the fore and taking their rightful places.

With that disparity, and with the need for jobs in the workplace, we are bound to have a problem and we are bound to have 20,000 or 25,000 work permits because we have 70 per cent or 60 per cent (or whatever) of our young people who are not finding their way. They are being lost to drugs and to crime and everything else, Madam Speaker.

However, if we can tweak this to the point that we want, that is, the Immigration Law, and we can have an Education system that provides, as we have often said, a safety net for these who have been falling through the cracks and ensure that we get our vocational students up and running and really taking their places in becoming electricians, plumbers, carpenters, masons and mechanics—these are the industries, Madam Speaker, the blue collar jobs in many cases that pay very well, but have been for some reason stigmatised and avoided by the school system and therefore, our kids.

Madam Speaker, if we can get this right and we can have a Cayman where . . . I know we will never say that we will not lose any kids, because I do not think that is possible. It is a dream and it is something we should aim for. But, if we lose only ten per cent to whatever vagaries there are out there, and we capture the other 90 per cent in our work environment being productive contributing citizens and we have an Immigration Law that makes sense and people understand it and it creates upward mobility for our young people, and when people are coming to this country from the outset they understand 'Okay I am going to the Cayman Islands. They are allowing me the privilege of being in their country for seven years to start. If I really like it I'll work hard and I'll play my part in the community and I may be lucky enough to be granted PR and eventually get status and be a Caymanian' . . . because there is no such thing as a "foreign" Caymanian or "local" Caymanian. At the end of the day if you reach the point where you are going to grant someone Caymanian status, Madam Speaker, we have to get this in our minds that that person has all the rights and privileges the same as us who were born here and consider ourselves indigenous. We are Caymanian then and we have to work together to make this place a better place.

So, Madam Speaker, if this Government can manage that in its term of office, I would say that I can

feel proud to have been a part of such a government. We have certainly in the past fallen short of that goal. I am not saying that it has not been in the minds of others, or previous administrations, but for whatever reasons we have not been able to achieve that. I think the crux of the matter is our Education system. I know that when the Honourable Minister of Education gets back from his travel and gets to debate, he will probably do a lot more than I am doing now. But he will certainly tie the Immigration issue in to his Education plans.

Madam Speaker, I want to use this opportunity standing on the Floor of this honourable House to allay any fears and to give comfort to those out there who will listen, or will read, that this Government is not an anti-foreign government—far from it. This Government understands what it takes for the Cayman Islands to run and be successful. We have gotten this far with the help of our foreign partners and many have gone on to become Caymanians.

Madam Speaker, we are not trying to stop that, but we are certainly trying to make it manageable to give us a chance, as it were, to catch our breath because Caymanians have been plummeting along at a pace that I think a lot of times probably translates in to health issues. This rollercoaster, this fast train—I guess one of those rocket trains they have in Japan—that is almost the way that Cayman has developed and it has created a lot of concern for us and we have done well. Even with all our faults over the years, previous administrations and all, we have done well to reach this point, Madam Speaker.

However, it takes sensible legislation and it takes sensible politicians to not create scare tactics just for the sake of a vote. Madam Speaker, we need people who are going to stand up and do what is right for these Cayman Islands. I believe that this Government is on the right course with this legislation and the amendments that are being proposed.

Madam Speaker, I will not worry to go into all the details of the legislation. I think that we have heard that many times and we have all digested it and the public has had ample time to go through the legislation.

So, my contribution this afternoon is to look at the bigger picture and to look at how this legislation will benefit these Islands and why everyone should embrace it. And when we find where it is not working, or where the holes are, we will plug them.

With that contribution, Madam Speaker, I think we will all have a chance to probably wish each other a merry Christmas. But just in case—God only knows what will happen these days—I would like to take this opportunity to wish everyone here, and the listening public, a merry Christmas and all the best for the New Year.

Thank you, Madam Speaker.

The Speaker: I will entertain a motion for the adjournment of this honourable House.

ADJOURNMENT

Hon. Anthony S. Eden: Madam Speaker, I move the adjournment of this honourable House until Wednesday, 20 December.

The Speaker: The question is that this honourable House do now adjourn until 10 am Wednesday, 20 December. All of those in favour please say Aye, those against No.

Ayes:

The Speaker: The Ayes have it. This honourable House now stands adjourned until Wednesday 20 at 10 am.

At 4.53 pm the House stood adjourned until 10 am Wednesday 20 December 2006.

OFFICIAL HANSARD REPORT
WEDNESDAY
20 DECEMBER 2006
10.25 AM
Ninth sitting

The Speaker: I call on the Honourable Minister responsible for the Ministry of Tourism, Environment, Investment and Commerce to say Prayers.

Little Cayman and for the late arrival of the Honourable Minister of Education and the Second Elected Member for West Bay.

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 10.28 am

**READINGS BY THE HONOURABLE
SPEAKER OF MESSAGES AND AN-
NOUNCEMENTS**

Apologies

The Speaker: I have received apologies for absence from the First Elected Member for Cayman Brac and

**PRESENTATION OF PAPERS AND OF
REPORTS**

Special Report to the Legislative Assembly In the matter of the Complaints Commissioner Law (2006 Revision) Written Complaint Number 161 made 2nd November 2005, and the Department of Immigration – Asylum Rights
(deferred)

Special Report to the Legislative Assembly In the matter of the Complaints Commissioner Law (2006 Revision) Written Complaint Number 92 made 13th July 2005, and the Department of Immigration – Computer Alert System
(deferred)

The Speaker: Honourable Minister responsible for Communications and Works.

Hon. V. Arden McLean: Madam Speaker, I would respectfully ask this honourable House to allow these two presentations to be deferred until later when the Honourable Minister for Education arrives. He had to attend a doctor's appointment on an emergency basis.

The Speaker: The question is that the two Reports 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: Reports deferred until later in the Sitting.

The Speaker: Questions to Honourable Ministers/Members of the Cabinet.

Honourable Minister responsible for Communication and Works.

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

Suspension of Standing Order 23 (6)

Hon. V. Arden McLean: Madam Speaker, I beg 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.

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. 20 standing in the name of the Third Elected Member for the district of George Town.

Question No. 20

(deferred Monday 18 December, 2006)

No. 20: Ms. Lucille D. Seymour asked the Honourable First Official Member responsible for the Portfolio of Internal and External Affairs and the Civil Service to say what action plans and strategies have been formulated by the Portfolio of the Civil Service, Government companies and statutory bodies to ensure that opportunities for upward mobility are in place for locals throughout the Civil Service, Government companies and statutory bodies.

The Speaker: Honourable First Official Member.

Hon. George A. McCarthy: Madam Speaker, as Head of the Civil Service I cannot speak authoritatively on behalf of the public authorities as the Ministers and Official Members of Government have ownership responsibility for these entities. However, the Public Service Management Law 2005 does mandate certain values for those entities that relate to employee opportunities and upward mobility. I will quote the relevant parts of the legislation namely section 4:-

“(e) to encourage creativity and innovation, and recognise the achievement of results;

“(f) to be an employer that cares, is non-discriminatory, makes employment decisions on the basis of merit, and recognises the aims and aspirations of its employees, regardless of gender or physical disabilities.”

There are provisions in the present regulations and the new law to ensure Caymanians have opportunities for upward mobility.

The Public Service Commission is mandated under PSC Regulation 18, Supervision of Recruitment, to fill posts in the Civil Service with Caymanians wherever possible. In my experience, the Public Service Commission has always fulfilled its obligation under this regulation.

The Public Service Management Law 2005, section 41, which deals with the “Procedures and Requirements for Appointments”, and which covers appointments, promotions and transfers, states in subsection (7) “that where two or more persons rank broadly at the same level, Caymanians are to be given preference”

Madam Speaker, a very important strategy under the new Public Service Management Reform is that every Civil Servant is required to have a Performance Agreement. A very important part of that Agreement is a Personal Development Plan which is agreed between the staff member and his or her supervisor. The Personal Development Plan will establish skills and personal behaviours to be developed during the year and specific training to be undertaken. This will mandate that every supervisor has to have a dialogue with every staff member on their personal development.

Another strategy is the development of Succession Plans for Chief Officers and other staff as mandated by the Public Service Management Law 2005.

Another major new strategy that has been formulated by the Portfolio of the Civil Service is the setting up of the Civil Service College. The focus of this institution will be to provide training for managers and potential managers to acquire skills and qualifications to progress through the various levels more quickly.

In summary Madam Speaker, there has always been a focus on ensuring that Caymanians are provided with opportunities, and the necessary protections are in the existing regulations and also in the new law. The Portfolio of the Civil Service has developed three major strategies to ensure that there are opportunities for upward mobility for Caymanian Civil Servants: the Personal Development Plan for every Civil Servant; the development of Succession Plans; and the setting up of the Civil Service College. All of these initiatives, Madam Speaker, represent opportunities that Caymanians in the Civil Service are invited to take in the years ahead to ensure that we have the best qualified Civil Servants who can meet the challenges of administration in the 21st Century.

The Speaker: Are there any supplementaries? *[Pause]* Are there any supplementaries? *[Pause]*

If there are no supplementaries we will move on to Question No. 21, standing in the name of the Fourth Elected Member for George Town.

Question No. 21

No. 21: Mr. W. Alfonso Wright asked the Honourable First Official Member responsible for the Portfolio of Internal and External Affairs and the Civil Service to explain to this honourable House what criteria are used to measure the success of the Cadet Corps.

The Speaker: Honourable First Official Member.

Hon. George A. McCarthy: Madam Speaker, the criteria used to judge the success of the Cadet Corps are drawn from two main sources: the Cadet Corps Law 2003, and the Annual Budget Statement.

Madam Speaker, section 5 of the Cadet Corps Law 2003, sets out the functions and purposes of the Cadet Corps in detail. For example, it states that the Cadet Corps should be “**a formal, well regulated and highly disciplined organization operating within all sectors of the school and youth communities in the Cayman Islands**”. It mandates that the Cadet Corps should “**instil in cadets spiritual, moral, national, and humane values of honesty, justice, discipline, and social responsibility**”, and that it should encourage “**powers of leadership and the ability to work as team members**”. These statements provide the general framework for measuring the success of the Cadet Corps over time.

More specific criteria are found in the Annual Budget Statement. For the 2006/7 budget year, the criteria are included in output “CAD 1” (on page 701). This output provides quantitative measures of the number of cadets to be trained and the percentage of cadets passing the star level tests. It provides qualitative measures for cadet training in the form of International standards and the Cadet Training Handbook, which establish standards of competency for drill instruction. It prescribes the times when the cadet programme ought to be available for cadets outside of school hours. And it specifies the total funding within which these services must be delivered.

Madam Speaker, the Cayman Islands Cadet Corps is a relatively young organisation, fully established only in 2004 following passage of the Cadet Corps Law 2003. In July 2005, responsibility for the Cadet Corps was transferred to the Portfolio of Internal and External Affairs. The work of the Corps is now receiving increasing support from parents and schools. At a time when the problems facing our youth are mounting concerns, the Cadet Corps provides a very healthy alternative for those aged 11 to 19 years. It is the Portfolio’s intention to ensure that the criteria for its success are further developed so that it delivers the positive impact the community and this honourable House expect.

The Speaker: Are there any supplementaries?

Fourth Elected Member for the District of George Town.

Supplementaries

Mr. W. Alfonso Wright: Thank you, Madam Speaker. I thank the Honourable Member for his answer.

Madam Speaker, we have developed and put in place a Schools Inspectorate. Could the Honourable Member say if there are any mechanisms in place to likewise measure whether or not the Cadet

Corps is a successful entity and that kids are actually coming out of there much improved after their tenure there?

The Speaker: Honourable First Official Member.

Hon. George A. McCarthy: Madam Speaker, there is oversight provided of the activities of the Cadet Corps and this is done by an organisation out of the United Kingdom that comes to the Cayman Islands and carries out inspection exercises from time to time. This review process is normally communicated to the Cadet Corps organisation in terms of how well it is functioning.

The Speaker: Are there any further supplementaries?

Fourth Elected Member for the district of George Town.

Mr. W. Alfonso Wright: Thank you, Madam Speaker.

Is the Honourable Member able to say when the last inspection was carried out and how many times the inspection has been carried out since the formation of the Cadet Corps?

The Speaker: Honourable First Official Member.

Hon. George A. McCarthy: Madam Speaker, I am aware of an inspection that was carried out during the course of this year, but I am not in a position to give details in terms of how many inspections have been carried out since the formation of the Corps. But I can provide an undertaking to provide that information to the honourable Member and the House.

The Speaker: Are there any further supplementaries?

Third Elected Member for the district of George Town.

Ms. Lucille D. Seymour: Thank you, Madam Speaker.

Madam Speaker, could the Honourable First Official Member say if the persons that are recruited for the Cadet Corps have educational background? Are they academically trained as teachers?

The Speaker: Honourable First Official Member.

Hon. George A. McCarthy: Yes, Madam Speaker, I am aware that one of the senior officers is a trained teacher, and I am also aware that they are using the services of teachers from the various schools to assist in the training exercises.

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 Honourable First Official Member be able to give this House an undertaking to give a list of the persons at the Cadet Corps, their training, their salary and their background?

The Speaker: Honourable First Official Member, I am sorry, that supplementary is way outside the original question and I think the Member should bring it in a question at the next Meeting of the House.

Are there any further supplementaries?
[pause]

Second Elected Member for the district of Cayman Brac and Little Cayman.

Mr. Moses I. Kirkconnell: Thank you, Madam Speaker.

Madam Speaker, what I know of the Cadet Corps is that its programme is offered in Cayman Brac for the first time this year, and last weekend we had a graduation class of approximately 70 youth from the programme. The Honourable First Official Member was there for that graduation, and I believe he will bear me out in saying that it was a very nice afternoon.

I would like to ask him, if he could give an undertaking to make sure that: (1) funding continues to be available for the programme in Cayman Brac; and (2) when he reviews the programme, it is my belief that it is stronger in Cayman Brac right now than it is in Grand Cayman and that it needs more people working there in the programme, if he could review that and give me an undertaking—

The Speaker: Could we get a question, honourable Member?

Mr. Moses I. Kirkconnell: I would like to ask the First Official Member if he would give a commitment that the programme in Cayman Brac will be reviewed, continued, strengthened and more people hired if needed.
Thank you.

The Speaker: Honourable First Official Member.

Hon. George A. McCarthy: Madam Speaker, I am quite happy to give the honourable Second Elected Member for Cayman Brac and Little Cayman that undertaking.

As he mentioned, I was there with him on Sunday afternoon and we observed the passing out of the cadets. There was a total of 70 and it was quite an impressive event.

In terms of the funding there is going to be a shortage of funding based on the provisions for the current fiscal year, but the Commandant has already spoken to the Deputy Chief Secretary, and I have done so as well, in terms of ascertaining what the ad-

ditional needs will be. Whatever support personnel that are required in order to ensure that the programme continues to remain vibrant throughout the Cayman Islands—Grand Cayman and Cayman Brac—that support will be given, Madam Speaker.

The Speaker: Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: Can the Honourable Chief Secretary say whether he has the support of his Cabinet-Elected colleagues?

The Speaker: Honourable First Official Member.

Hon. George A. McCarthy: Yes, Madam Speaker, I can give that assurance to this honourable House that the Cabinet is very much in support, all Elected Ministers and Official Members of the programme.

The Speaker: I will allow one more supplementary.
Are there any further supplementaries?
[pause]

If there are no further supplementaries, we will move to Question No. 22 standing in the name of the Third Elected Member for George Town

Question No. 22

No. 22: Ms. Lucille D. Seymour asked the Honourable First Official Member responsible for the Portfolio of Internal and External Affairs and the Civil Service to say if the officers in the Cadet Corps are required to travel overseas on matters relating to the Cadet Corps.

The Speaker: Honourable First Official Member.

Hon. George A. McCarthy: Madam Speaker, officers of the Cadet Corps are required to travel overseas in pursuance of their duties for several reasons.

First, officers travel with the cadets under their charge in order to attend international camps which form an important part of the cadets' training. In this capacity, officers act as chaperones and make up part of the leadership team of the camp.

Second, officers travel to the annual Caribbean Commandant and Training Officer Conference in order to build partnerships with other cadet corps in the region and to ensure that the standards of the Cayman Islands Cadet Corps are maintained at the required levels.

Third, as the Cadet Corps grows and matures, it is expected to participate in International Army Cadet Exchange conferences. These conferences provide an opportunity to exchange knowledge, build relationships and establish wider training opportunities for cadets and officers alike, as well as to source training equipment and other resources at an economical price.

In conclusion, Madam Speaker, it must be borne in mind that unlike many other cadet corps, the Cayman Islands Cadet Corps has no parent military organisation within the Cayman Islands, such as an army or a defence force. In order to train its officers and its cadets, it is essential that it maintains regular and consistent links with sister organisations in the Caribbean and beyond, and these links require travel overseas.

The Speaker: Are there any supplementaries?

Third Elected Member for the district of George Town.

Supplementaries

Ms. Lucille D. Seymour: Thank you, Madam Speaker.

Madam Speaker, could the Honourable First Official Member undertake to give the honourable House an itemised list of the travel overseas by the officers pertaining to the year 2006?

The Speaker: Honourable First Official Member.

Hon. George A. McCarthy: Yes, Madam Speaker, I can give an undertaking to provide that information.

The Speaker: Are there any further supplementaries?

Honourable Leader of the Opposition.

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

So, the Honourable Chief Secretary can say that the officers of the corps, even by the most severe stretching of one's imagination, do not travel as much as some Ministers of Government and PPM MLAs?

The Speaker: Honourable First Official Member, that is way outside the reply to the original question. If the Honourable Leader of the Opposition would like that question, I think he needs to bring it at another Meeting of the House.

Are there any further supplementaries?

Hon. W. McKeeva Bush: I am satisfied. I am satisfied.

The Speaker: If there are no further supplementaries, we will move to Question No. 23 standing in the name of the Fourth Elected Member for George Town.

Question No. 23

No. 23: Mr. W. Alfonso Wright asked the Honourable Third Official Member responsible for the Portfolio of Finance and Economics to say if there is an agreement for the deferral of import duties between the

Government and the developer of the Ritz-Carlton Hotel and, if so, what are the terms of the agreement?

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: On 5th October 2004 Cabinet made a decision to permit the developer of the Ritz-Carlton Grand Cayman Resort to defer the payment of import duty on certain classes of imports; the duty thereon cannot exceed US\$17.84 million or CI\$14.63 million.

The terms of the deferral are as follows:

(i) The developer of the Ritz-Carlton Grand Cayman is to make quarterly payments over a seven-year period. The first quarterly payment was rescheduled to 30 September 2006 and the last quarterly payment cannot occur later than 31 March 2012; and therefore

(ii) The value of all deferred import duty is to be repaid fully by 31 March, 2012.

The Speaker: Are there any supplementaries? [pause] Are there any supplementaries? [pause] If there are no—

Honourable Leader of the Opposition.

Supplementaries

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

Can the Member say that from the inception of the project back in 1998 whether there was an agreement for deferrals?

The Speaker: Honourable Third Official Member.

Hon. W. McKeeva Bush: Under the licence I should say, Madam Speaker, given at that time.

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Speaker. The information that I have on hand does indicate that there was a decision made by Executive Council back in 1998 to allow the deferral of custom duty in respect of the particular project that we are discussing, the Ritz-Carlton Grand Cayman Resort.

The Speaker: Are there any further supplementaries?

Honourable Leader of the Opposition.

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

Can the Honourable Financial Secretary say what the projections are according . . . I guess projection, Madam Speaker, would be given according to various room rates and stamp duty rates from those rooms. What are the projections given by the project or hotel as far as Government's revenue is concerned,

and also how much revenue to date directly from the hotel?

The Speaker: Honourable Third Official Member, if you are in a position to answer that question I will allow it; if not, I will have an undertaking to answer the Honourable Leader of the Opposition in writing.

Honourable Third Official Member.

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

Madam Speaker, I do not have the information on hand to answer the Honourable Leader of the Opposition, but I will give the undertaking as you have just invited.

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, does the Honourable Member have the copy of the Deloitte report on the project which says that throughout the life of the construction there is to be \$136 million pumped into the economy, and total annual Government fees and duties from ongoing operation to present, I guess, was something like \$9 million on the rooms?

The Speaker: Honourable Leader, I think he just answered you to say he did not have that information on hand.

Hon. W. McKeeva Bush: No, I am asking whether he has that Report, not whether he has it on hand or not.

The Speaker: Honourable Third Official Member.

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

Madam Speaker, yes, I am aware of the Report that the Honourable Leader of the Opposition is speaking to, but I do not have it on hand.

The Speaker: Fourth Elected Member for the district of George Town.

Mr. W. Alfonso Wright: Thank you, Madam Speaker.

Can the Honourable Third Official Member say whether the 1998 records indicate whether that was a general agreement for the deferral of import duties or whether it had the specifics as outlined in this answer?

The Speaker: Honourable Third Official Member, that is outside the question, but if you have that information I will allow you to answer the honourable Member.

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

Madam Speaker, the brief information that I have essentially says that the Executive Council, at the time in 1998, made a decision to allow the payment of import duty on building materials and articles of hotel equipment to be deferred for a maximum period of three years from the date of first importation or the date of commencement of construction, whichever came earlier.

What has subsequently taken place since 1998, Madam Speaker, is that that particular decision has been superseded by the answer that I gave to the substantive question in that the deferral period has now been extended to a possible maximum period of seven years.

The Speaker: I will allow two further supplementaries.

Fourth Elected Member for the district of George Town.

Mr. W. Alfonso Wright: Thank you, Madam Speaker.

Can the Honourable Third Official Member say specifically when this decision was taken to reschedule the payment procedure, and why?

The Speaker: Honourable Third Official Member?

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

Madam Speaker, if you could just bear with me for one second. *[pause]*

Madam Speaker, the terms of the deferral initially envisaged the first quarterly payment occurring in June 2005. However, because the hotel did not open as initially envisaged, the position was put forward to the Government that the revenues were therefore not at the level that the hotel had envisaged to allow the payments of the deferred duty to take place in June 2005 and, therefore, the repayments did not start in June 2005.

Madam Speaker, in July 2006, because there was no movement in terms of payment of the deferred duty, the Portfolio of Finance took the decision—specifically, on 13 July 2006—in the Government Administration Building (the Glass House). It occurred between the Portfolio of Finance officials and representatives of the resort. At that 13 July 2006 meeting the decision was made to reschedule the payments, and the first was to have occurred in September 2006. That payment did occur, it was made in September 2006, and the next one is due at the end of this month, December 2006.

So, the answer, in summary, Madam Speaker, the decision was taken in July 2006 to re-

schedule. It was rescheduled because, essentially, the payments were not being made as initially envisaged so it was an attempt to restart the process. I think that substantially answers the question.

The Speaker: Final supplementary.

Fourth Elected Member for the district of George Town.

Mr. W. Alfonso Wright: Thank you, Madam Speaker.

Could the Third Official Member then say whether this meeting to reschedule the payments was actually initiated by the present Government and whether that constituted an actual default in the original agreement by the developer to start payments?

The Speaker: Honourable Third Official Member.

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

Madam Speaker, the precise answer to that would be that it was an initiative that I took on my own as Financial Secretary because I knew that the total amount was a fairly substantial one. I took the decision that we needed to restart the process. It was my initiative, but it is certainly the case that the initiative was supported by Cabinet. I did inform Cabinet of the decision that I had made, and I did inform Cabinet of the meeting and the results of the meeting. When the first rescheduled payment occurred in September of this year, I informed Cabinet that the payment had, in fact, been made.

So, it was my initiative, but Cabinet certainly was informed of it and is supportive of the initiative that I took.

Thank you.

Hon. W. McKeever Bush: Because of the type of question it is, Madam Speaker, and it has covered some ground and there is still information that has not been given, I am wondering whether you would allow one last supplementary.

The Speaker: Go ahead, Honourable Leader of the Opposition.

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

Can the Honourable Financial Secretary say whether he knows what the norm is in the region—such as the Bahamas, Aruba, Bonaire, St. Kitts, St. Lucia—for government's assistance to major hotel development? Does he know what the Bahamian government gave the Four Seasons, Emerald Bay; what the Aruban government gave the Marriott Resort; what the Bonaire government gave the Hotel Golden Anchor; and what obtained in St. Kitts and St. Lucia? — All major hotel developments such as the Ritz-Carlton Grand Cayman, not as big but . . .

The Speaker: Honourable Third Official Member—

[Inaudible interjection by the Honourable Leader of the Opposition]

The Speaker: I think that is way outside the original question. I would not expect you to have that answer at hand, but if you do you can reply to the Honourable Leader of the Opposition.

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

Madam Speaker, I certainly want to start by saying that my brief response is not meant to be in any way disrespectful to the Honourable Leader of the Opposition, but I simply do not know what pertains regionally in terms of the level of assistance offered to major developments. I simply do not know.

What I can say, though, is that within the Cayman Islands, in respect of previous hotels we have certainly had governments offer assistance in the form of duty waivers and duty deferrals. That has actually taken place before within the Cayman Islands.

Hon. W. McKeever Bush: Madam Speaker, I am not about to stretch your patience, but I do crave your indulgence.

The Speaker: It is—

Hon. W. McKeever Bush: I am wondering whether the Member can say there were deferrals or actual waivers. For the Ritz-Carlton Grand Cayman we are talking about a waiver, if I understand what you are saying. What obtained at the Westin Casuarina Resort and the Holiday Inn Resort Grand Cayman? Were they deferrals or waivers? If he does not have that we can get it in writing.

The Speaker: This is the final supplementary.

Honourable Third Official Member, again that is way outside the original question. If you do not have the information at hand would you undertake to let the Leader of the Opposition have it in writing?

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

No, I do not have that level of knowledge or information with me. What I can say with the Ritz-Carlton Grand Cayman development itself there was a small element of actual duty waiver and the larger portion, which is what the substantive question is about, involves a duty deferral. Obviously, in a duty deferral situation the duty is to be paid but over a period a time. So the Ritz-Carlton Grand Cayman was a fairly small element of duty waiver and the majority of it was a duty deferral. I am specifically speaking of the decision taken in 2004.

[Inaudible interjection by the Honourable Leader of the Opposition]

The Speaker: In the spirit of Christmas this is the final supplementary on this question.

Fourth Elected Member for the district of George Town.

Mr. W. Alfonso Wright: I thank you, Madam Speaker.

It is really not a new question. I did pose a two-part question to the Third Official Member and he only responded to one part.

The Speaker: Would you repeat—

Mr. W. Alfonso Wright: I asked whether or not the fact that Government had to initiate a rescheduling of the payment schedule was as a result of a default of the developer in making the payments.

The Speaker: Honourable Third Official Member.

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

Madam Speaker, there was a schedule that was initially envisaged that the developer would make the first payment in June 2005. That payment, Madam Speaker, did not occur. We were told that the reason why it did not occur was because the hotel actually opened quite a bit later; a year later than originally envisaged.

So, the original schedule envisaged a first-quarter payment starting in June 2005. It did not occur, and there was essentially quite a period of time in which there was no communication between the two parties, the development and the Government, on the particular matter.

It seemed to be languishing, Madam Speaker, and I took the decision to ask the representatives of the establishment to come in and chat with us. As a result of that chat, we rescheduled the original initial payment schedule, and the first rescheduled payment was made in September 2006.

So, the answer is, the original payment schedule was not adhered to. There was said to be a valid reason for not adhering to it because the hotel had essentially reopened a year later than planned.

Thank you, Madam Speaker.

The Speaker: Madam Clerk.

Hon. W. McKeever Bush: Which all of them went down there with their bowties and neckties.

[Inaudible interjection]

The Speaker: Question No. 24 standing in the name of the Third Elected Member for the district of George Town.

Question No. 24

No. 24: Ms. Lucille D. Seymour asked the Honourable Minister responsible for the Ministry of Health and Human Services if the Government has applied for the Convention for the Elimination of all forms of Discrimination Against Women to be extended to the Cayman Islands and, if so, what progress has been made in regard to its implementation.

The Speaker: Honourable Minister responsible for Health and Human Services.

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

Before answering the question I would beg that the relevant Standing Order be suspended so that questions can be asked after 11 am.

Suspension of Standing Order 23(7)

The Speaker: The question is . . .

[Inaudible interjections]

The Speaker: Honourable Members can help the Speaker when you rise to quote the Standing Order. Is it 10(2)? *[pause]*

The question is that Standing Order 23(7) be suspended to allow Question Time to go beyond the hour of 11 o'clock. All those in favour, please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it. Standing Order 23(7) is duly suspended by the Minister.

Agreed: Standing Order 23(7) suspended to allow questions to be asked beyond the hour of 11 am.

Hon. Anthony S. Eden: Thank you, Madam Speaker. Cabinet granted approval for the extension of the Convention of the Elimination of all forms of Discrimination Against Women (CEDAW) on 22nd July 2004.

Response from the Foreign and Commonwealth Office (FCO) indicated that Convention of the Elimination of all forms of Discrimination Against Women (CEDAW) could be extended to the Cayman Islands, as the United Kingdom is a signatory to this convention. However, the office indicated that it would be necessary to prepare local enabling legislation before the Convention of the Elimination of all forms of Discrimination Against Women (CEDAW) would be extended to us.

I am informed that a draft "Anti-Discrimination Bill" is being prepared by the Legislative Drafting Department and should be available by April 2007.

The Speaker: Are there any supplementaries?
[pause]

If there are no supplementaries we will move to Question No. 25 standing in the name of the Third Elected Member for the district of George Town.

Question No. 25

No. 25: Ms. Lucille D. Seymour asked the Honourable Minister responsible for the Ministry of Health and Human Services to say what progress has been made to date in regard to the implementation of the Magda Pollard Report which set out the blueprint for development of the Women's Bureau and attendant programmes to address women's issues.

The Speaker: Honourable Minister responsible for Health and Human Services.

Hon. Anthony S. Eden: Madam Speaker, as I answer these questions I am reminded of certain motions brought by you when you were on the Backbench that are now coming out on the Floor by some others. But I know the initiatives that you have taken on these women issues.

[Inaudible interjection]

Hon. Anthony S. Eden: The Magda Pollard Report of 1996 recommended the following four components for the initial programme of action towards the development of an Office of Women's Affairs and programmes to address women's issues:

1. Institutional Arrangements
2. Public Education
3. Consideration of Relevant International Instruments
4. Legal Status

As stated in the answer to the previous parliamentary question, the Government has not created an institutional arrangement or mechanism specifically called an Office of Women's Affairs. However, this is being examined as part of the Ministry's restructuring exercise.

The second component of the Pollard Report dealt with Public Education and suggested the establishment of a Women's Resource Centre. This recommendation was acted upon by the Government in 1997.

The third component of the report suggested that a "Committee be established to study and report, with recommendations, on the various Conventions and Declarations".

A Research and Development Team (R&D Team) was established in 2000 to develop the Cayman Islands National Policy on Gender Equity and Equality. One of the recommendations of the CI Gender Policy Team was to ask for the Convention for

Elimination of All Forms of Discrimination Against Women to be extended to the Cayman Islands. This is currently being acted upon. I am also pleased to inform Members of this honourable House that an Office has been established under the leadership of the Hon. Attorney General to report on International Conventions which have been extended to the Cayman Islands.

The final component recommended addressing the issue of women's legal status by "establishing a technical group to amend legislation relating to domestic violence and citizenship." Again, the Research and Development Team for Gender Policy reviewed legislation and policies in relation to domestic violence, immigration, and many other areas and made recommendations within this policy. This work will be continued by the Ministry as part of its policy and legislation for its various assigned subjects areas.

The Speaker: Are there any supplementaries?
[pause] If there are no supplementaries, Question No. 26 standing in the name of the Third Elected Member for the district of George Town.

Question No. 26

No. 26: Ms. Lucille D. Seymour asked the Honourable Minister responsible for the Ministry of Health and Human Services to say what steps have been taken to establish the Office of Women's Affairs as set out in Private Member's Motion 1/95 brought by the Honourable Edna Moyle in her capacity as a Member of the Legislative Assembly.

The Speaker: Honourable Minister responsible for Health and Human Services.

Hon. Anthony S. Eden: Madam Speaker, as of 1st July 2005 I have been assigned responsibility for the subject area of Gender Affairs. I am pleased to report that, while an Office of Women's Affairs has not yet been established, many of the functions outlined in Private Members Motion 1/95 are in fact being carried out by the Women's Resource Centre.

I wish to assure this honourable House that this Government recognises the importance of women's empowerment. The first priority of my Ministry in this regard is to clarify the various elements and issues related to the subject area of Gender Affairs.

By the end of this financial year, policy decisions will have been made on the following:

- The expansion of the Ministry's name to include this subject; and
- The establishment of a structural mechanism within Government that will strategically address the subject of Gender Affairs.

The Speaker: Are there any supplementaries?

Third Elected Member for the district of George Town.

Supplementaries

Ms. Lucille D. Seymour: Thank you, Madam Speaker.

Perhaps I am going out of my boundary, but I would like to ask a question, if you would bear with me and guide me to see if I am doing the right thing.

The Speaker: It is Christmas.

Ms. Lucille D. Seymour: Thank you.

In setting up the structure as intimated here, will it subsume the substantive motion that the Honourable Edna Moyle brought in 1995, which is to set up an office of Women's Affairs?

The Speaker: Honourable Minister responsible for Health and Human Services.

Hon. Anthony S. Eden: Madam Speaker, I would just inform the honourable House that the efforts put forward by the Women's Resource Centre, if this is what she is talking about.

The Speaker: Honourable Minister, I do not want to put words in the mouth of the Member, but I think what she is trying to find out is why the words "Women's Affairs" have been dropped from the Ministry. That was what the motion requested to be done. Just to guide her, I think that is what she is trying to achieve.

Hon. Anthony S. Eden: Madam Speaker, as I said in the substantive answer that will be added in due course.

The Speaker: Third Elected Member for the district of George Town.

Ms. Lucille D. Seymour: Thank you, Madam Speaker.

I take it the Honourable Minister will give an undertaking to include the words "Women's Affairs" in the new nomenclature in the New Year.

The Speaker: Honourable Third Elected Member. I think he has told you that in the answer.

Are there any further supplementaries? *[pause]* If there are no further supplementaries we will move to question No. 27 standing in the name of the Third Elected Member for Bodden Town.

Question No. 27

No. 27: Mr. Osbourne V. Bodden asked the Honourable Minister responsible for the Ministry of Health

and Human Services to inform this honourable House of any health regulations governing tattoo artists.

The Speaker: Honourable Minister responsible for Health and Human Services.

Hon. Anthony S. Eden: Madam Speaker, there are no health regulations governing tattoo artists.

Establishments offering tattooing services are licensed by the Trade and Business Licensing Board. It is the practice of the Trade and Business Licensing Board to refer establishments like beauty salons and tattoo establishments to the Department of Environmental Health for inspection before they are granted a Trade and Business license. The Department has developed guidelines to ensure that such premises meet hygiene and sanitation standards.

The Medical Officer of Health has researched the international standards on tattoo establishments. The Ministry subsequently recommended to the Department of Environmental Health via the Ministry of Communications, Works and Infrastructure that they extend their inspection guidelines to include specific standards for tattoo establishments.

The Speaker: Are there any supplementaries? *[pause]* Are there any supplementaries? *[pause]* If there are no supplementaries we will move to the next question.

Question No. 28 standing in the name of the Honourable Leader of the Opposition.

Question No. 28

(deferred Wednesday 20 December 2006)

Hon. W. McKeever Bush: Madam Speaker, the Second Elected Member for West Bay has not reached the House yet and I would ask that this be either deferred until he comes or put off to another day's Sitting.

The Speaker: Could I have a seconder, please?

Mr. Cline A. Glidden, Jr.: I beg to second that motion.

The Speaker: The question is that Question No. 28 standing in the name of the Second Elected Member for the district of West Bay be deferred to a later point in this meeting.

The Speaker: Honourable Leader of the Opposition.

Hon. W. McKeever Bush: Madam Speaker, before we move on to the next item of business I would like to—

The Speaker: One moment.

All those in favour of the deferment of the question please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it.

Agreed: Question No. 28 deferred until the arrival of the Second Elected Member for West Bay.

The Speaker: Honourable Leader of the Opposition.

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

Before moving on to our next item of business, I would like to bring to the attention of the House and to the Government that I have some questions outstanding from April of this year which ask about the Department of Tourism's assistance to Spirit Airlines. I have gotten no answers. There is also one from October 26, which I asked about the Lufthansa Report being made available to Members of the House or laid on the Table.

Madam Speaker, I have not gotten an answer as of yet. These are important questions. I see all kinds of questions being answered, and I do not know why the Government cannot answer these questions. It is ridiculous that I am still awaiting answers on these very important matters.

The Speaker: Honourable Leader of Government Business, as Chairman of the Business Committee can we undertake to have questions put down? *[pause]*

Proceedings will be suspended for 15 minutes.

Proceedings suspended at 11.19 am

Proceedings resumed at 11.48 am

The Speaker: Please be seated. Proceedings are resumed.

I have received notice from the Honourable First Official Member.

STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF THE CABINET

Status of the Three Afghans in the Cayman Islands

Hon. George A. McCarthy: Madam Speaker, thank you.

Madam Speaker, this statement is on the status of the three Afghans in the Cayman Islands.

I wish to inform you and honourable Members of this House that the Chief Immigration Officer has decided to grant the three Afghan asylum-seekers exceptional leave to remain in the Cayman Islands, thus ending a long period of uncertainty for them, and at the same time relieving the Cayman Islands Government of the burden of supporting them. The back-

ground to their presence in the Cayman Islands and the reasoning behind this decision is as follows:

The three Afghans were detained on 22 August 2000 at the house of a local resident. They claimed that they had travelled from Turkey by boat and that they had intended to reach Canada, where they proposed to apply for refugee status. Investigations by the Immigration Department gave strong reason to believe that they had, in fact, arrived on 20 August 2000 by air from Cuba and had entered the territory using counterfeit Pakistani passports.

The Afghans did not apply for refugee status in the Cayman Islands until December 2000. While their applications were being processed they were kept in custody due to security reasons. In June 2001 the Grand Court held, however, that this custody was unlawful in the circumstances. The Court accepted the Chief Immigration Officer's view, though, that it was probable that the three had entered the Cayman Islands illegally posing as Pakistani tourists.

In August 2001 the Afghans were interviewed in depth with the assistance of a Farsi speaker from the United Kingdom Immigration Service. On 1 October 2001 the Chief Immigration Officer refused their applications for refugee status. He granted the three individuals temporary leave to remain so that they could exercise their right of appeal to the Immigration Appeals Tribunal. In July 2003 such an appeal was made and the Immigration Appeals Tribunal gave its decision in November 2003. The Tribunal determined, among other things, that the appellants were free to make applications for Refugee Status which, if received, must be properly considered by the Chief Immigration Officer in accordance with the criteria set out under the Immigration Law. The decision of the Tribunal was subsequently appealed to the Grand Court

All three Afghans then submitted applications for political asylum in the Cayman Islands (one under the Immigration Law (2003 Revision) and the other two under the Immigration Law 2003) in December 2003 and January 2004 respectively. Acting on the advice of the Solicitor General the then Chief Immigration Officer rejected the applications on the ground that there was no basis upon which to make an application for political asylum under the Immigration Law, 2003 or its predecessor, the Immigration Law (2003 Revision).

The difficulty now was to decide what action should be taken concerning the presence of the three Afghans since they had exhausted all their options. In August 2004 the Chief Immigration Officer reached the view that conditions in Afghanistan were such that these individuals could and should be repatriated as soon as possible. This proposal foundered, however, due to the insurmountable difficulties over the logistical arrangements for transporting them from here to Kabul, coupled with the added complication of needing the permission of a number of governments whose countries would have to be transited. Additionally, the

Chief Immigration Officer was informed that the United Kingdom was not repatriating Afghans to the Ghazni province in Afghanistan due to the prevailing situation there at that time.

Factors That Were Considered by the Chief Immigration Officer

In reaching his decision to grant the three Afghans exceptional leave to remain, the Chief Immigration Officer has taken into consideration a number of factors:

- The fact that the situation in Afghanistan has deteriorated significantly in recent months due to the resurgence of the Taliban effectively eliminates all possibility of repatriating the three Afghans for the foreseeable future. The three Afghans are Afghan Shi'ah Hazaras, a sect which is the natural enemy of the Taliban (who are exclusively of the Sunni sect) and at whose hands they have suffered terribly in the past. It should also be noted that although the UK repatriated significant numbers of Afghans to Afghanistan, some of which were undoubtedly Hazaras, there were none repatriated to Ghazni, the province from which our three Afghans come.

- The ongoing financial burden of the Cayman Islands Government in supporting the three individuals. (The cost to date is in the region of CI\$250,000). In this regard it should be noted that exceptional leave to remain is a more settled immigration status meaning that the individuals would be free to accept gainful occupation (subject to being granted a work permit), thus becoming self-sufficient. The three have, in fact, given an undertaking that if granted exceptional leave to remain they would not seek any further financial support within three months of the grant.

- The three would be free to leave the Cayman Islands using their Afghan passports. At present no other country would grant them a visa since their present immigration status in the Cayman Islands does not guarantee that they would be granted re-entry upon return. Indeed, it should be noted that at least one of the Afghans has expressed a strong desire to leave the Cayman Islands if and when that becomes possible.

- There is absolutely no evidence, Madam Speaker, to support the speculation that these three individuals may have been, or are, involved in any terrorist organisation. Their identity has been confirmed with the Afghan Consulate in New York (who subsequently granted them Afghan passports) and all checks conducted by the United States and the United Kingdom law enforcement agencies have proven negative.

- Exceptional leave to remain may be revoked at any stage, Madam Speaker, if the political situation in Afghanistan improves to the extent that the three may be repatriated.

Other Options Considered by the Chief Immigration Officer

The Chief Immigration Officer also considered other options:

- (a) The grant of full refugee status. This would mean that the three would have the right to remain in the Cayman Islands indefinitely.
- (b) Allow the status quo to continue where the three remain on temporary admission, without the right to work, with the obligation for their support falling to the Cayman Islands Government. It is suggested, Madam Speaker, that there is little to be achieved by this option given that any immediate likelihood of repatriation is effectively eliminated due to the worsening situation in Afghanistan.

I thank you, Madam Speaker.

The Speaker: Before we move on to the next item, I will allow the Honourable Minister responsible for Education, in his capacity as Chairman of the Committee to oversee the Complaints Commissioner's Office, to lay the two Reports.

PRESENTATION OF PAPERS AND OF REPORTS

Special Report to the Legislative Assembly In the matter of the Complaints Commissioner Law (2006 Revision) Written Complaint Number 161 made 2nd November 2005, and the Department of Immigration – Asylum Rights

The Speaker: Honourable Minister responsible for Education, as the Chairman of the Committee of the Legislative Assembly responsible for overseeing the Office of the Complaints Commissioner.

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

Madam Speaker, I beg to lay on the Table of this honourable House a Special Report to the Legislative Assembly by the Office of the Complaints Commissioner entitled "Written Complaint Number 161 made 2nd November 2005, and the Department of Immigration – Asylum Rights".

The Speaker: So ordered. Does the Honourable Minister wish to speak thereto?

Hon. Alden M. McLaughlin, Jr.: Yes, shortly, Madam Speaker.

Madam Speaker, it is, I believe, useful that I explain a bit about this particular Report, following as it does hard on the heels of the statement just made by the Honourable First Official Member.

In accordance with the powers conferred on the Commissioner, under section 6 of the Complaints Commissioner Law, this report was completed in part by analyst Petula Twinn.

His Excellency the Governor was provided with a copy of the report in advance of its presentation to this honourable House in accordance with section 18(4) of the Law.

Synopsis

Madam Speaker, on 5 December 2000, Mr. NN, an Afghan, made an application for asylum to the Chief Immigration Officer. The Chief Immigration Officer refused the application in October 2001, and Mr. NN appealed his case to the Immigration Appeals Tribunal. The Immigration Appeals Tribunal granted the appeal, the effect of which was that Mr. NN's application for asylum was successful and he should have been granted the right to work and remain indefinitely in the Cayman Islands by the Chief Immigration Officer.

The Immigration Appeals Tribunal noted that it would be open to the Chief Immigration Officer to formally review Mr. NN's immigration status with a view to repatriation to Afghanistan, but only if there was a cessation of hostilities, in accordance with the Geneva Refugee Convention (1951).

The decision of the Immigration Appeals Tribunal was not accepted by the Chief Immigration Officer, and though an appeal was filed in the Grand Court on behalf of the Chief Immigration Officer it was never pursued. Therefore the finding of the Immigration Appeals Tribunal remains binding on the Chief Immigration Officer.

It was the intention of the Chief Immigration Officer to return Mr. NN to Afghanistan, but the necessary arrangements could not be made. The required permission was not granted by the Afghan Government. There was no practical route of return. Further, an informal review by the Chief Immigration Officer revealed no evidence of cessation of hostilities. The UK Immigration Service confirmed that Afghanistan still is not a safe country and cessation within the meaning of the Refugee Convention does not exist.

In any case, returning Mr. NN to Afghanistan on the basis of a cessation determination is no longer an option available to the Chief Immigration Officer. The Chief Immigration Officer did not at any time convene a formal hearing to determine whether there was a cessation of hostilities. While no time deadline for any potential review was specified, the rules of natural

justice and fairness dictate that such a procedural step should have been determined by now.

On completion of its investigation, the Office of the Complaints Commissioner found Mr. NN's complaint to be well-founded. The finding of the Immigration Appeals Tribunal remains binding on the Chief Immigration Officer, yet at the time this Report was written the Chief Immigration Officer had not carried out his ruling.

The Office of the Complaints Commissioner therefore made the following recommendations to the Chief Immigration Officer:

1. No steps should be taken to forcibly remove Mr. NN from the Cayman Islands until a proper hearing was held to determine, in accordance with the judgment of the Immigration Appeals Tribunal, whether cessation of hostilities applies in this case and that Mr. NN has exhausted all of his appeal rights in the event that the decision was contrary to his interests;

2. That, in the meantime, in accordance with both the Immigration Law and the Refugee Convention the Chief Immigration Officer should grant Mr. NN leave to remain indefinitely in the Islands and the right to work in accordance with section 79(4) of the Immigration Law, 2003, subject only to the cessation provisions contained in the Refugee Convention;

3. That, unless it can be finally established in relevant proceedings that "Cessation" does apply in relation to Mr. NN, he should be accorded unconditional leave to remain indefinitely in the Islands and the right to work in accordance with section 79(4) of the Immigration Law, 2003;

4. And finally, that his passport be endorsed with an unconditional right of re-entry to the Cayman Islands.

These recommendations were made to the Chief Immigration Officer on 9 March 2006, with a timeframe of approximately two months to carry them out. To date (that is, the date of this Report) they have not been complied with and Mr. NN is still classified as an "un-landed immigrant".

It should be noted that in attempting to address Mr. NN's situation, the Chief Immigration Officer has been faced with numerous issues and challenges. The recent workload of the Chief Immigration Officer has been particularly heavy. Recently, the Chief Immigration Officer has attempted to implement a number of changes designed to improve the efficiency and customer service of the Department. These are:-

1. the new Customer Service Centre;
2. the revision of the English Skills Test;
3. the reduction of the backlog of work permits;

4. the revision and amendment of the Immigration Law, 2006; and
5. the improved procedures for receiving persons at the Department.

In addition, the Chief Immigration Officer has been under political pressure to ensure the departure of Mr. NN from these Islands, which is inappropriate, says the Complaints Commissioner.

Section 18(3) of the Complaints Commissioner Law (2006 Revision) states that “w[here] the Commissioner has made a recommendation under subsection (1) and within the time specified or a reasonable time thereafter, he is of the opinion that no adequate action has been taken to remedy the injustice, he shall lay before the Legislative Assembly a special report on the case.”

The Commissioner is of the opinion that the Chief Immigration Officer has failed to regularise the status of Mr. NN and to carry out the intent of the recommendations of this office.

Madam Speaker, given the statement made by the Honourable First Official Member this morning, I believe that the issues raised by the Complaints Commissioner in this Report have all been satisfactorily addressed, and I ask this honourable House to take note thereof.

Special Report to the Legislative Assembly In the matter of the Complaints Commissioner Law (2006 Revision) Written Complaint Number 92 made 13th July 2005, and the Department of Immigration – Computer Alert System

The Speaker: I recognise the Honourable Minister responsible for Education in his capacity as Chairman of the Committee of the Legislative Assembly responsible for overseeing the Office of the Complaints Commissioner.

Honourable Minister.

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

Madam Speaker, I beg to lay on the Table of this honourable House a Special Report to the Legislative Assembly made by the Office of the Complaints Commissioner, 10 November 2006, entitled “Written Complaint Number 92 made 13 July, 2005, and the Department of Immigration – Computer Alert System”.

The Speaker: So ordered. Does the Honourable Minister wish to speak thereto?

Honourable Minister responsible for Education.

Hon. Alden M. McLaughlin, Jr.: Briefly, Madam Speaker.

Madam Speaker, on 13 July 2005, an individual (who shall be called Mr. SB for the purposes of this Report) filed a complaint with the Office of the

Complaints Commissioner against the Department of Immigration. Mr. SB’s complaint was that an “alert” had been placed on his immigration record by the Enforcement section of the Department to alert a certain individual as to when Mr. SB left the Islands. When Mr. SB attempted to leave, the individual was alerted. The individual then came to the airport and harassed Mr. SB. Mr. SB alleged that the Department did not have the authority to place an alert on his record.

In the course of this investigation a meeting was held with the Chief Immigration Office who advised that the alert had been placed on Mr. SB’s immigration record pursuant to a court order. However, the CIO conceded that proper documentation had not been maintained by the Department and that the alert was “stale” and should have been removed from Mr. SB’s record.

The Office found Mr. SB’s complaint to be well-founded and, based on this finding, the CIO undertook to ensure that new procedures in relation to filing alerts and removing alerts from an individual’s file would be drafted and implemented by the Department. It was agreed in a meeting held with the CIO on 16 March 2006 that a timeframe of six months was reasonable time in which to implement new procedures. A target date of 21 September 2006 was set.

To date there is no evidence that these recommendations have been complied with.

It should be noted however that the CIO has taken initial action on this matter by assigning the project to a senior staff member of the Department. In addition, the workload of the CIO has been particularly heavy in the past year. The CIO has attempted to implement a number of major innovations to improve the efficiency and customer service of the Department.

These improvements include:-

1. the revised process of receiving customers at the Department;
2. the new Customer Service Centre;
3. the reduction of the backlog of work permits; and
4. the new revised English Skills Test to be implemented 20 November 2006.

Section 18(3) of the Complaints Commissioner Law (2006 Revision) states that “[w]here the Commissioner has made a recommendation under subsection (1) and within the time specified or a reasonable time thereafter, he is of the opinion that no adequate action has been taken to remedy the injustice, he shall lay before the Legislative Assembly a special report on the case.”

The Commissioner is of the opinion that the Chief Immigration Officer has failed to take adequate action to implement new procedures as agreed upon, and, consequently, this Report has been laid on the Table of this honourable House.

Thank you, Madam Speaker.

The Speaker: Madam Clerk.

GOVERNMENT BUSINESS

BILLS

SECOND READINGS

The Immigration (Amendment) (No. 2) Bill, 2006

(Continuation of debate thereon)

The Speaker: Debate continuing on the Immigration (Amendment) (No. 2) Bill, 2006. 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 rise to give my support, Madam Speaker, to the Immigration (Amendment) (No. 2) Bill, 2006.

First of all, Madam Speaker, I would like to express my personal thanks to the various immigration review teams who have spent countless hours in refining and giving their best efforts in bringing this Bill as far as we have. This goes back, Madam Speaker, to even the very first immigration review team. A lot of work was put in there in the very beginning as well.

Madam Speaker, many countries around the world today are facing major problems with immigration. The Cayman Islands are no different in that sense. The difference with us, Madam Speaker, is our size. Places like the United States can absorb millions of immigrants on an annual basis. The Cayman Islands, Madam Speaker, are certainly not capable of doing that at any percentage as it would relate to the United States.

In past debate in this House, I gave a short story that I would like to repeat one more time about an old Indian chief who had been invited to the White House by the then sitting president of the United States. After all their pleasantries, the president of the United States said to the old chief, *'Do you have any advice for me?'* The old chief turned and said: *'Be careful with your immigration policy. We were careless with ours.'*

[Laughter and inaudible interjections]

Mr. W. Alfonso Wright: Madam Speaker, the level of involvement of the various individuals, the immigration review teams and Cabinet, and all the other individuals who have spent so much time in bringing us to this point, speaks of the importance of getting these amendments right. Immigration is a serious issue. Get it wrong, Madam Speaker, and your country is doomed.

Madam Speaker, we sit here and we listen to, in particular, the Leader of the Opposition, who is now offering much advice to the current Government as to how to deal with their immigration policy. I am reminded, Madam Speaker, of one of the main reasons why the Leader of the Opposition is no longer the Leader of Government Business, and that one of the main contributing factors to his government losing the last election was due to his failed immigration policy. So, it escapes me, Madam Speaker, as to why this Government should take advice from the now Leader of the Opposition.

I will say this, Madam Speaker: the rollover policy is a product of the UDP Government. I will also remind everybody that the rollover policy is also a product of Vision 2008, and the UDP Government, yes, took the initiative to pass the necessary legislation for the rollover policy. Madam Speaker, I will give the UDP Government credit for that every step of the way. However, Madam Speaker, we must understand that the thing that they are now blaming the PPM Government for is the policy that they implemented.

Madam Speaker, I consider this to be a good piece of legislation, a necessary piece of legislation. We continue to hear the Leader of the Opposition say that the PPM Government is not enforcing the rollover policy in particular, and by extension the new Immigration Bill, the way that he intended it to be done.

Madam Speaker, right after the election of the PPM Government references were continually made, that [we] were going to make changes, in particular, to the rollover policy. What we all need to be reminded of is that legislation came for the new Immigration Bill in 2003, with the law coming into effect in January 2004.

So, the UDP (or the Opposition) continues to try to make the people believe that once the PPM Government was elected they made changes automatically, or immediately, to the then Immigration Law, and that started all of the uneasiness within the community. Madam Speaker, although the Bill actually came into effect on 1 January 2004, time was given for the actual enforcement of the Bill to start to kick off in 2005/2006. Hence no problems would have surfaced in 2004. So, when that started to happen, Madam Speaker, when the enforcement section of this kicked in, in 2005/2006, of course that was within the PPM's administration. But that could not be helped because the Law was not intended to come into force before that time. So, none of these problems would have surfaced during the UDP's administration.

Now, Madam Speaker, when the Second Elected Member for West Bay got up to speak, the Leader of the Opposition, as is his usual habit, mumbled across the Floor that the Second Elected Member for West Bay was going to poke holes in the PPM's debate. One of the first things the Second Elected Member for West Bay said, Madam Speaker, was that with any major legislation of this type there are bound to be amendments immediately following; that you cannot get it right the first time. What the

Leader of the Opposition said prior to that was that as soon as the PPM came into power they started making changes to the Immigration Law.

Well, if we listen to what the Second Elected Member for West Bay said about 'amendments being necessary', then whose debate, or whose story was the Second Elected Member for West Bay poking holes in? The PPM? Or, the Leader of Opposition? Sometimes, Madam Speaker, there are none as deaf as he who will not hear.

I always commend the Second Elected Member for West Bay on the quality of his debates, and I pray to God, Madam Speaker, that at some point in his career (that is, the Second Elected Member—) He will rise to the position that he should be in—that is to some form of leadership role with politics in this country. I daresay, Madam Speaker, that the people of West Bay will be a lot better off the quicker they understand that the future of politics in West Bay could well go through the Second Elected Member for West Bay.

Madam Speaker, with the amount of work that has been put into this amendment, I can truly say that companies now have a much clearer understanding of their options, that things are now much better understood as to where companies can go, what they can do. Individuals on work permits will understand and be able to plan their lives much better. And, yes, I know that it took some time to happen, Madam Speaker, but there was quite a lot of work to be done.

I mean, I was privileged, Madam Speaker, to be a part of, I would consider it, the second IRT (Immigration Review Team), and there was a tremendous amount of cleaning up that had to be done, a lot of little minor things. There were little things like sections of the Law had been taken out, but there were other sections of the Law that referred to that section that had been taken out. I do not know why things like that happen, Madam Speaker, but it was clear that you really could not leave the Bill in that fashion. The lawyers would have eaten us alive had we left the Bill in that condition. A whole lot of little things like that.

I also want to take this opportunity to say how very grateful I am personally for the tremendous efforts of the three Chairmen of the three Immigration Boards: the Permanent Residency Board, the Business Staffing Plan Board, and the Immigration Board—in particular, Mr. David Ritch, who took this on with passion like I have never seen before. I believe that this country owes him a great debt for his efforts and the amount of time and care that he has put into bringing these amendments thus far. We should not forget that. In time to come, Madam Speaker, it will be proven how valuable Mr. Ritch was in all of this.

I also want to make mention of the no win situation that we may want to say the PPM Government was in with this. Had we left the debate on this until 28 December, it is my opinion that the Leader of the Opposition would have still tried to do something for those two days to delay the passing of this Bill, and

we would not have been able to reach our goal in actually passing the Bill before 1 January. Although we brought the Bill early, he still tried it, Madam Speaker.

So, I am going to say that while the PPM Government does not make a habit of suspending Standing Orders for such things, I believe that this was a genuine case and they are justified in doing so. I do believe that had we left it until 28 December, Madam Speaker, that we would have been in big trouble. And I believe that that is one of the reasons why the Leader of the Opposition was so upset that he was actually outsmarted. And we did suspend Standing Orders to bring the Bill earlier.

Madam Speaker, negative remarks were made about the Minister of Education and how remarks that he makes publicly are detrimental to the existence of harmony with the expat community and Caymanians, so much so that I think it was said that it was actually a dangerous situation when the Minister of Education made some of his remarks.

Madam Speaker, I can only say that the Minister of Education speaks from a position of authority. He knows firsthand exactly what the situation is. And I am going to say thank God that our country has been afforded the chance to have someone like the current Minister of Education as part of this Government because it is clear that a lot of what we are suffering now, a lot of what we have tried to correct with immigration over the years, the answer is in what the Honourable Minister of Education is now doing with education. None of this will work, Madam Speaker, if we do not make greater efforts to prepare our children academically so that they can take their rightful places in the jobs that are in this country.

So, Madam Speaker, whatever they want to say about my Minister of Education is like water off a duck's back as far as I am concerned. He is a god-send and he too will one day reap his rewards for the job that he is doing for this country.

Madam Speaker, I want us, as a country, to understand a little bit better how we are supposed to be using the work permit option. I have said in this House before, Madam Speaker, that in recent years we have gone away from what we used to consider developing people, where somebody was not quite on track but they were salvageable. It was somebody that had potential but they were maybe tardy a few days of the week. Maybe they had a little bit too much fun on the weekend and did not get into work early on the Monday morning, but they were otherwise good employees.

When the work permit system became available to everybody, Madam Speaker, we began to use that as a tool against our own Caymanians and we started threatening them because we knew that we could easily get work permits. So we gave up, Madam Speaker, on trying to help these people who had potential. We simply gave up on them, and we either fired them or we did not bother to hire them anymore because we now had that option to get work permits.

So, we literally threw away generations of Caymanians simply because we had that option. I do not think that anybody set out to do that deliberately, but it is one of those things with evolution that just kind of happened, and life became easier because we now had the ability to employ other people and if Caymanians did not do their jobs this was what was going to happen.

I believe, Madam Speaker, that we need to get back to that. We need to spend time with our employees. We need to counsel them, make every effort to help them develop into good, rounded, contributing human beings and not be too quick to jump at this work permit issue. I understand, and I know, Madam Speaker, that we cannot do without work permits; but I believe that we can do a lot better than what we are doing right now.

Madam Speaker, we continue to quarrel about how permanent residency should work and a lot of Caymanians continue to complain about their employees having to go home because of the rollover policy. It is clear to me that what we really want in Cayman is to have the ability to keep people on work permits forever and ever and ever because that is a control mechanism that we have. And as long as we can hold that work permit over people's heads we can get them to do what we want. We can pay them little or nothing. And nothing is done and nothing is said. But, Madam Speaker, these people that are on work permits are human beings as well. They have families. They are expected to be productive in their lives.

Madam Speaker, we want to keep them here for 15, 20, 25, some 30 years. And the way the system works it is difficult for them to bring their families here and there are reasons for that. But we do not sit down to think as human beings that we are continually separating families, that the father is here, or mother is here, or the kids are over there. And I believe that we need to be able to say to people when they come here that this is a period of time that you are going to be able to work in the Cayman Islands and they can plan their lives accordingly and that nobody should be expected to work in somebody else's country for decades without having the pleasure of their family with them.

So, Madam Speaker, it is quite understandable that we cannot absorb the workers and their families. I believe that we need to do what is the next best thing for us and that is to allow them to come here for a period of time, let them make the decision later on and give them that option to be able to go back home and spend some meaningful time with their families.

The other option, Madam Speaker, is where we get to the point of permanent residency. Most times work permit holders in the Cayman Islands do not really want individuals to get permanent residency. They want to keep them on work permits, but they will sacrifice, they will agree to that option to get a key employee status to give them an additional two years.

But deep down inside they recognise that once they get to that point in acquiring permanent residency individuals are going to leave them.

We continue to say: *'I had this lady here when my kids were born. They know her as a second mother and their lives are going to fall apart if she has to leave and go back home. What in the world am I going to do?'* Well, Madam Speaker, the minute that lady gets PR (permanent residency) and becomes a Caymanian, she is going to leave. It is her right to do so.

It is expected that human beings are going to want to make a better life for themselves. Why should she or anybody else be loyal to this family making \$400 or \$500 a week—a month for that matter, Madam Speaker—when they are now Caymanians and can go and make \$3,000 and \$4,000 a month? That makes no sense to me. We have to acknowledge that fact. So, what happens then? You could not do without them before. They are going to leave anyway. So how does the story work?

Madam Speaker, there was also the talk that when foreign workers come here, they come to help us build the Cayman Islands. They come here to work to build this country. They have always said that without them what would we have done? Madam Speaker, when a Caymanian—or, in more general terms, when West Indians go abroad to Canada, the UK, the United States, the talk is that you go to make a better living for yourself. But when you come to the Cayman Islands you come to help the Cayman Islands. You did not come here to make a better living for yourself; you are here to help the Cayman Islands. It is always that when we go abroad, it is always *"yeah, we are going to make a better living."* But once people come here, *"no, they have made a huge sacrifice."*

They did not come here to make a better living for themselves, Madam Speaker, they are only here to help the Cayman Islands and that is why they do not want to leave. Because they like to help the Caymanians so much; we need so much help they just do not want to leave after they get here.

Madam Speaker, we need to call a spade a spade. We have to have decent immigration policies, and the human rights issues are important. We need to be mindful of that and I think that that is what we have done here. That is what we have gone on and done here to make sure that we are in line with all of these things. But our country is too small, Madam Speaker.

I will be forever grateful to those expatriates who have come here and worked. Some of them have become Caymanians, and I welcome and I appreciate them. But, Madam Speaker, the door cannot be wide open for everybody who comes here and wants to stay to be able to do that. It cannot happen. Even in the bigger countries, Madam Speaker, that is not simply allowed all the time.

Madam Speaker, there is also talk on the talk shows about why Caymanians cannot be a little bit more tolerant of the foreign workers, or the expatriates, and there is some truth to that. But, Madam Speaker, when the expatriates come here and they become embedded and they begin to make good salaries and their lives have certainly improved (the Third Elected Member for Bodden Town spoke on that issue), they then believe that their existence here is what makes life better for us. Because they have the top jobs, we are always able to pick up the lower paying jobs.

They get upset, Madam Speaker, when we say to them: *'You have had your time. It is time for you to go now. If we need another foreigner to fill this position we will have to bring someone else in, but it is time for you to go now.'* They get upset and they write all kinds of letters and they make all kinds of coalitions and they do all kinds of things in the newspaper and they write all kinds of letters to boards and governments and all that kind of thing. That says to me that it is not the Caymanians who are intolerant of the foreigners, but it is the expatriates, Madam Speaker, who are intolerant of the Caymanians. They want us to sit down, lay down and play dead, and they do what they want to do.

Madam Speaker, this is the only country we have. It is small but we love it and it is a good place. Madam Speaker, we have to do our best to preserve this little rock for ourselves and our offspring.

Madam Speaker, the Leader of the Opposition, in particular, continues to speak of how we could do better; we could do more with the exempted employee privilege, now called the key employee privilege. I have to wonder, Madam Speaker.

Rumours have been abound for quite some time that there were companies who may have been promised that their rollover policy was not going to affect some of the entire companies or segments of employees within those companies. I cannot prove any of that, Madam Speaker, but they usually say where there is smoke there is fire. And I find it rather ironic that, in particular, the Leader of the Opposition continues to bat for the expatriate community as far as the exemptions and this rollover policy. Madam Speaker, I hope that the Caymanian population, the Caymanian community is listening. It is not really them that he is looking out for but more so the companies with the large amount of employees who he considers should have free rein with exempted employee status.

Madam Speaker, that concludes my contribution to the Immigration (Amendment) (No. 2) Bill, and I give it my wholehearted support.

The Speaker: Does any other Member wish to speak?

Third Elected Member for the district of George Town.

Ms. Lucille D. Seymour: Thank you, Madam Speaker.

I too would like to make a contribution to the Immigration (Amendment) (No. 2) Bill, 2006. This is an important Bill, Madam Speaker, for us for the destiny of our country, for the hope of our people and for us as a people to show also that we are the Christians that we are.

I am a little disappointed today because this Bill, being so important to the listening public, I would have thought that the whole House would have been overrun by people. I hope that they are listening through this medium because this is the House that decides the destiny of the Caymanian people. This is the House that was elected to preserve the destiny of the Caymanian people.

I would like to centre my debate mostly on words like "rollover", "fixed-term", "key employees" and that is where I am going to focus, Madam Speaker. I would ask you to bear with me and my tired voice and you will know when I need my break.

I have entitled this "The Troubling Rollover Policy Towards a Just and Truly Caymanian Compromise".

Madam Speaker, it is beyond doubt that the Cayman Islands as a country has experienced phenomenal economic development since the 1970s. The lack of natural resources predisposed the country to rely on services and so tourism and financial services became the pillars of our economy. This type of development has transformed these Islands from being mosquito-infested swamps with a net outflow of people, to a booming economy and magnet to immigrant workers. This has brought certain challenges related to immigration with which we now have to grapple.

Madam Speaker, I asked a couple of questions, and the fundamental question we have to ask ourselves is: Do we want to halt the trend of development and go back to a state of relative poverty?

I move a little bit, Madam Speaker, to the 'Little Red Book' that is so much spoken about in this House, as to what the PPM had to say. **"Immigration has always been one of the most challenging issues for the Cayman Islands to address. The need to balance the interests of long term residents and the interests of Caymanians has always proven a very difficult exercise."**

We said we would **"Review the provisions of the Immigration Law in relation to "Exempted Persons" to ensure that the future advancement of Caymanians is ensured."**

Madam Speaker, I fear that we cannot separate continuous economic development and prosperity from the challenges of immigration. If we analyse carefully the relationship between the several factors that have contributed to the rate of development, the obvious conclusion is that the situation is far more complex than we think.

There are certain facts relating to tourism, Madam Speaker—financial services that we must

keep in mind. First, when tourists come to our country and like it, it is inevitable that some of them would want to settle here eventually. With a booming tourism industry, it is impossible, and indeed undesirable, to keep a secret that life in the Cayman Islands is so good.

Second, the tourism industry needs an army of people who are willing to do service or enter jobs against which Caymanians have bias. As a country develops, locals are more and more reluctant to engage in this type of work. This has been the case of most developed countries ranging from USA, Britain, to the Bahamas and the Virgin Islands.

Third, financial services in which the Cayman Islands dominate need persons with specialised skills and knowledge who are able to establish contacts with potential investors from the richer countries where most investors originate.

Madam Speaker, what the Cayman Islands have developed is a knowledge-based economy which has outpaced the development of our people. Immigration and education are, and must be, inextricably linked. That is why, Madam Speaker, the Government, through the stewardship of the Honourable Minister of Education, made education a priority and will continue to do so.

The rollover policy, fixed-term key employees, Madam Speaker, will give rise to many opportunities for advancement for Caymanians. However, Madam Speaker, our people will only be able to take advantage of these opportunities as they arise if they have the relevant skills, education and training.

Madam Speaker, it is therefore incumbent on this legislative body—Opposition and Government—to ensure that the opportunity for our people to acquire the necessary skills at the primary, secondary, post-secondary and tertiary levels are made available. This is what, Madam Speaker, will propel the equilibrium and ferment equality amongst Caymanians.

Further, Madam Speaker, investors, like satisfied tourists, are often attracted to places where their fortunes are being made enhanced and safeguarded.

Fourth, the context to which our economy has flourished is the free market economy with minimum interference from Government. Our financial services need the free flow of capital and human resources in order to remain at the cutting edge of the industry. But we have a limited size and population, Madam Speaker. All these factors have resulted in a demand for more and more workers. Unfortunately, the population of the Cayman Islands is neither big enough nor producing fast enough to meet the demand. The only alternative has been to rely on immigration,

If you look, Madam Speaker, at some of the figures I have been able to get, in 1996 we had 13,765 expatriate workers and in 1996 we had 20,764 Caymanians. In the year 2006 we had 20,443 in the labour force and in 2006 we had 31,443 Caymanians. Unfortunately, even though the resident population has increased somewhat, the land size has remained

262 square kilometres, with over 95 per cent of the population concentrated in Grand Cayman.

There is a limit to the number of people who can be accommodated on Grand Cayman, and in particular George Town, which continues to grow. Madam Speaker, this growing concentration of population has been cause for concern.

Madam Speaker, evolving out of this has been some Caymanians' insecurities. No analysis of the immigration issue in the Cayman Islands can ignore the known insecurities of Caymanians. These feelings are not peculiar to the Cayman Islands. These sentiments are seen in the USA, Canada, England, France, Germany, Spain and Italy, to name a few. In smaller nations like ours these fears are even greater and more impacting.

Madam Speaker, we have seen more recently the situation in Fiji and East Timor. The legislature made up of Government and the Opposition must take action now to ensure that these Islands never reach that explosive point. Caymanians new and indigenous must benefit from the growing economy, and, more importantly, indigenous Caymanians even though small in number must feel that they are so benefitting.

Madam Speaker, Caymanians must be able to live and achieve the Caymanian dream in their own country. Every Caymanian dreams of getting a good job, building a nice house, owning land, driving a nice car, enjoying the modern comforts, living in a nice district, raising happy, resourceful, ambitious children, and opening up a business. This is what we need and that is what we deserve. If Caymanians cannot do this and feel marginalised and come to believe that they are second-class citizens in their own country, we will have social and perhaps racial upheaval in this country which I am sure none of us want.

Madam Speaker, the first insecurity is cultural. We are proud of Caymanian culture, that way of life that has nurtured our ancestors and those of us who were brought up in the "good old days." However, this culture was steeped in poverty, and it naturally follows that [as the] standard of living rose, the foundations of this culture eroded.

Even if we had remained poor, our culture would still have been subjected to pressures of change, Madam Speaker. The sociologists have told us that the rate of change has been so rapid that Caymanians have not had time to adjust properly to the transformation. Within a matter of years, one single generation, this country has gone from being a backwater to becoming the fifth largest financial centre in the world, and plays host to over a million tourist visitors per year.

This international attention, this invasion by visitors with other cultures, has sent shockwaves through the society and the culture has been one of the first casualties. Added to this is a cultural penetration which we encourage by exposing our children to a nonstop flow of ideas drawn from other cultures. Every household in the Cayman Islands has access to

the outside world—radio, television, Internet. On average, we spend six hours a day soaking up programmes promoting other cultures. Caymanians are most concerned about the capacity of our culture to withstand such bombardment.

Madam Speaker, Caymanians have always welcomed strangers in our midst and have lived in harmony with them. We would like to see this trend continue. It behooves this honourable House, this legislative body, Opposition and Government, to take all steps to ensure that social harmony continues. Madam Speaker, we do not want to find ourselves confronted with distinct racial groups who are no longer able to live together in harmony. We must never find ourselves where the poor and uneducated are our indigenous Caymanians and Caribbean immigrants. All races and nationalities who come to live here with us must be tolerant of our Caymanian culture and way of life and work towards a better and most prosperous Cayman for all of us.

Another source of insecurity has been the perception that the majority of immigrant workers are better educated than the average Caymanian. This is a natural consequence of the policy of selecting professional people to work in our banks, our hotels, our schools, our police force and our hospitals. This can only be corrected, Madam Speaker, by educating our own people to the same level.

Madam Speaker, in 2002, when I first ran for politics and lost by 56 votes—

An Hon. Member: [The year] 2000.

Ms. Lucille D. Seymour: [The year] 2000. Thank you. That year I wrote a newsletter based on some facts from information taken from here. Under the section entitled, "Poorly Educated And Or Untrained People" I wrote:

"On average 20% of High School graduates go on to higher education or training. This means that 80% enter the workforce without the benefit of tertiary education or training. The 1989 Census found that 56% of the workforce in the Cayman Islands had no formal training of any occupation.

"In the new world, such workers will be a great disadvantage as globalization intensifies and markets become more accessible, technologically advanced societies will produce goods and services, more and more cheaply. If the Cayman Islands is to remain competitive in the financial service and hospitality industries, then it needs to train large numbers of workers."

And I went on to say: **"Within 5 years all those who are not computer literate will not have access to vital information. Already those who are too old or cannot read are at a great disadvantage. Since computers will transform the way we learn, the way we work, the way we recreate, and**

indeed, the way we live, they run the risk of becoming the FORGOTTEN CAYMANIANS."

The Speaker: Honourable Member, is this a convenient point to take the luncheon break?

Ms. Lucille D. Seymour: Yes, Madam Speaker, thank you,

The Speaker: Proceedings will be suspended until 2.00 pm.

Proceedings suspended at 1.00 pm

Proceedings resumed at 2.00 pm

The Speaker: Please be seated. Debate continues on the Immigration (Amendment) (No.2) Bill, 2006. Third Elected Member for the district of George Town continuing her debate.

Ms. Lucille D. Seymour: Thank you very much, Madam Speaker.

In synopsis, when I started this morning regarding my contribution to the Bill, I highlighted the spectacular economic development of the Cayman Islands from being a backwater, poverty stricken country to now a booming economy with a magnet of immigrant workers. I said this has brought many challenges related to immigration in which we now have to grapple, and I said I fear that we cannot separate continuous economic development and prosperity from the challenges of immigration.

As I said to you, Madam Speaker, I wanted to fix my debate on the rollover policy, key employees, and, in essence, what I said is that it gives rise to many opportunities for advancement of Caymanians—that is, the rollover, the fixed term and the key employees. However, I said that our people will only be able to take advantage of these opportunities as they arise if they have the relevant skills, education and training.

In continuing on, Madam Speaker, having spoken about the insecurities that we face with the challenges of migrant workers—such as cultural penetration and the perception that the majority of the migrant workers are better educated than the average Caymanian, and the cultural shock that it has brought to us whether it is as a result of the cultural shock of the personality of the Caymanians—our people have chosen to retreat from the fray and to depend on politicians to defend their interests even at the risk of alienating those who drive this economy. So, Madam Speaker, I need to speak about the political control vis-à-vis the immigration policy.

Many Caymanians feel that the last bastion of control is the political arena and rightly so. It is still true that only citizens of the Cayman Islands can vote or become Members of the Legislative Assembly. The new Caymanians (particularly those who obtained

Caymanian status via the Cabinet grant of 2003) will have significant impact on our electoral process. Most of them will be future voters. We must integrate them into our electoral process. We are all Caymanians now. It is no longer us and them.

Madam Speaker, what affects the indigenous Caymanian will affect the new Caymanians. It is their civic national duty to become a part of the electoral process. As new citizens of the Cayman Islands, they must join with the indigenous Caymanians to ensure that the opportunities which now abound benefit all Caymanians new and old.

The other fundamental question, Madam Speaker, is that Caymanians must ask themselves: How far are we willing to use constitutional power to restrict the flow of human resources to fuel the economy? My heart tells me that we should do all that is necessary to prevent the Cayman Islands from being swamped by immigrants. No country in the world would allow this to happen.

In light of these facts, Madam Speaker, what my heart tells me, what my brain tells me is that all Caymanians are the descendants of immigrants. Immigrants have helped to build countries, particularly, the USA which, as a result of the infusion of human resources, has grown to be the greatest nation on earth.

Just as the new Americans inject valuable resources in the USA, new Caymanians should do the same here. In a few years their children will be indistinguishable from those Caymanians whose great grandparents were born here. Basically, the Cayman Islands cannot go without immigrants. Eventually, these immigrants are likely to acquire a Caymanian identity.

Madam Speaker, the legislature is responsible for the destiny of these Islands, has a duty to ensure that a proper balance between the immigrants and the Caymanians is maintained so that Caymanians do not become outnumbered and marginalised in their own country. Such a situation bodes well to no country. Cayman is no exception.

Madam Speaker, there must be constant revision of legislation to ensure that this proper balance is always maintained. The current rollover policy is one such adjustment. Everyone, Madam Speaker, should see it in this light rather than targeting one particular group as espoused by the Opposition. I am sorry they are not here to hear that.

The rollover policy was brought about by the UDP Government. The PPM Government is now putting in place the proper legislative adjustment and process to make this policy work as it was meant to. The aim of this migration policy, Madam Speaker, is to create an orderly and gradual immigration process. I believe that we will be doing Caymanians, as well as expatriates, a disservice if we do not use our political power to introduce legislation, policies and programmes that do not take into consideration the realities as outlined above.

The third fundamental question is therefore: How can we legislate for a rational solution to the problem that makes Caymanians more competitive while at the same time attracting and retaining . . .

Madam Speaker, in one of my 2000 speeches I also said we have come a long way. Those who remember Cayman of old will remember the poverty and the insignificance of these Islands. But I also said (and I still maintain this) 'It was the partnership between local Caymanians with their ingenuity, their land, their labour, and expatriates with their capital and expertise, and other migrant workers who are willing to do the hard and dirty work that brought about the Caymanian miracle.'

The economic miracle, Madam Speaker, needs a constant injection of immigrants with talent, energy, wealth and other resources. It also needs Caymanians with skills and ingenuity to make their contribution. We have to establish a good balance between these forces that are necessary for prosperity. We must maintain that equilibrium. If Caymanians do not have the skills, do not acquire those skills in great demand, then more and more immigrants will be needed to keep the economy buoyant. Too many immigrants and too many unskilled and unemployed Caymanians could disturb the equilibrium and cause trouble. (This was written in 2000, Madam Speaker, by Lucille Dell Seymour).

Madam Speaker, in my final analysis I would say: What is a true Caymanian compromise? I believe that a workable compromise can and must be found. To this end I make the following recommendations:

- We must clarify (which we are doing now) the ambiguous concept used in the Immigration Law 2003. We have to state clearly to be used by immigration officers and the members of the Work Permit Board when assessing status of visitors to the country and applicants for work permits.

- We should ensure that under no circumstances that the ratio of non-Caymanians and Caymanians exceeds 45-to-55.

- A levy should be introduced on all companies to be invested in education and training in Caymanians in their sector.

- Every application for a work permit for an employee above supervisory level should be accompanied by a plan to train up a Caymanian to succeed that expatriate employee at the end of his contract. So says the key employee and so says the fixed term.

- Education is the answer to our immigration issues. We must educate our people to take up the well-paying and high-achieving jobs in hospitality, financial services, construction, technology and vocational to name a few. Post-secondary education for all is the key.

- Being your own boss and hiring your own people must be the ultimate goal for all Caymanians. Entrepreneurship must be the buzzword for all young Caymanians exploring non-traditional jobs, ensuring equity in the economic pie.

- Education must not only be the obligation of the Government, but the responsibility of all parents who must make their children know that college is not an option but a must.

Madam Speaker, we would ensure that development does not take place for development's sake but for the benefit of all Caymanians; those who were born here as well as those who choose to live amongst us and contribute to our great country.

Madam Speaker, this is my contribution to the Immigration (Amendment) (No 2) Bill 2006. I feel that it has clarity and certainty for the indigenous Caymanian, the new Caymanian and the migrant worker.

Thank you, Madam Speaker. Everybody have a Happy Christmas.

The Speaker: Does any other Member wish to speak?

Honourable Minister responsible for Communication, Works and Infrastructure.

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

Madam Speaker, I do not intend being as long winded as I usually am. Much has been said on the Immigration amendment before us—that is, the Immigration (Amendment) (No.2) Bill, 2006. But certainly, I would be remiss in my duties to this country if I did not touch on some of the issues that have caused much debate within this society and some of the areas that the Opposition has chosen to ridicule and claim that we are creating acrimony in our own country. I believe much has been said about how we got to where we are, but I certainly would like to add my five cents to that also.

Madam Speaker, we know that the difficulties we were experiencing, and continue to experience, with the immigration woes of this country did not start recently. Successive governments have failed in their resolve and their mandate to do something about it because we have been afraid of “running people away”.

Madam Speaker, the previous administration—that is, the UDP Government—rightly or wrongly took up the helm, and while in the Opposition (that is, myself) I supported the concept of the new immigration policies and Law which was brought to this honourable House in December 2003.

So, Madam Speaker, when the Leader of the Opposition and the Second Elected Member (my good friend) for West Bay, spoke quite passionately a few days ago about how we supported it then and do not support it now, they will also find in the *Hansards* of

this honourable House my support for the concept at the time. But, Madam Speaker, I am here to tell those two honourable Members that I have been here long enough to understand that legislation is never etched in stone. That is precisely the reason why we have parliamentary representative democracy in this country. We come back here and we change it.

Madam Speaker, at the time I supported it we proffered our position. Some recommended changes, and some of those were taken on board and some were not at the time. Today we find ourselves in a situation where the practicalities of what was put in place in 2003 do not work. Much of it does not work and we are here to change it in order that we have a smooth operational law, if I can term it that way.

Now, Madam Speaker, the Leader of the Opposition said (as I read) that we are destroying the economy of this country. But, Madam Speaker, what the country needs to understand is that the only way we can measure that is three years after this amendment comes into place, because the Law that is currently in place is the one that is operational, and that happens to be the one that the UDP brought here.

The PPM Government is now proposing a different way of doing it through the enhancement of that law currently on the books that the Leader of the Opposition was the author of. It is their law; it is not ours, Madam Speaker. We supported the concept but they are the ones who brought it here. And we are saying that the Leader of the Opposition would have this country believe that if they were still here (where we are now, on the Government's side), that it would be operational and everything would be running smoothly. That, Madam Speaker, is a fallacy because it does not work. That is fine, but they must admit that. The Opposition must admit that and we must move on and make the necessary amendments.

Madam Speaker, may I say that we have passed, we have implemented, we have legislated much since we have been here in the last 19 months as well. But that is not to say that in the next few months we do not have to come here to make changes to it. We will have to, of course, because, Madam Speaker, it is all about making a decision based on the knowledge you have at the time of that decision-making. And if you are not a willing ally of change then you have missed the central piece of the jigsaw puzzle. And do you know what happens when you miss the central piece of the jigsaw puzzle? You do not get a full picture. So, every time you put another piece together you will find that you have missed one piece. Maybe we need a crash course in putting jigsaw puzzles together in order that—and that is the Opposition—they will understand that pieces get missed. And that is all we are trying to do here.

Madam Speaker, I do not believe anyone in this honourable House, now or before—or for the future—comes in here with any intent of destroying this country. There has to be a reason why you have taken up to become a politician. I would encourage

people to do it. But, certainly, they would have us believe that the PPM Government is not with the resolve or the passion to better our people.

Madam Speaker, I have been in the Opposition myself. I know how it works. I know. I have been there. And some people resolve that the Opposition's job is not to agree with anything that Government does. Even if it is good you must find another way of saying that it should be done.

Madam Speaker, I am sure the Members on that honourable side know—they know—exactly what they are doing, but they must stop trying to scare the people of our country. If it is good for the country then let us do it. And it is their fear of being exposed, Madam Speaker, with what transpired in this country when this Law was put in place. I know they said that we will talk about the status grants and the likes, Madam Speaker, but they must never forget (and this country must never forget) what their administration did. They should never. They must always be reminded of it.

And then they come with the Law to try to appease the people, after they realise that the people were a little upset with what they were doing. That is unfortunate, but that is the way it went. Now it is time to make some amendments and make it workable, Madam Speaker. But it is going to be difficult in our country to have anything put in place that is workable if we get opposition from it, from the quarters that this Immigration amendment has received opposition from.

Madam Speaker, I believe (and I stand firmly with this belief) that Caymanians are the most welcoming people in this world. Sometime ago I said this in this honourable House: we have a very short history unlike places like "The Americas," our neighbouring countries. America went through a number of civil unrests. Why? Because of immigration! They had a number of civil unrests in their country, civil wars, but people forget that that was a learning experience for them. That was a growing-up experience for them. We are growing up and I certainly do not want to see civil wars, but it gets me to the point where I started.

Madam Speaker, if anyone can show me any place in this world that has an indigenous that is almost outnumbered, and they are so embracing to those who are coming from outside and there are not problems, then I will pay them. Madam Speaker, I want whoever those people are who say that, to take a little look and think about America which has a population of 300 million. Take 300 million foreigners, or let us take 300 million Chinese, and drop them in the middle of America. I wonder what would happen, because that is exactly what has happened to us. Madam Speaker, they did not drop them here, we invited them.

We have invited these people here and for this reason this Immigration Amendment Bill is going to support those people who are invited here and those of us who were *born yah!*

[Laughter]

Hon. V. Arden McLean: This is a partnership and we intend for this partnership to work. We have no reason for it not to work. But the opposition to our amendments to this Law will try to make everybody believe that the PPM hates migrants. That could not be further from the truth.

Madam Speaker, you understand that there are a number of us on this side who are married to immigrants, including myself! So they need to stop that. That is downright disingenuous.

Do you hear what I tell you, Madam Speaker? And the opposition is not necessarily the Opposition in this House, but those on the outside as well and there are a number of those.

I notice since the Bill has been circulated they have sort of backed off, but prior to that there were a number of them who were making a lot of comments, trying to cause the division between Caymanians and expats. Madam Speaker, they did a good job of it. They did a pretty good job of causing that divide and letting that line be drawn in the sand. In particular, Madam Speaker, I am talking about the *Cayman NetNews*.

It is unfortunate that the editor of the *Cayman NetNews* has taken the position that he has taken on this particular thing. While the newspapers in this country have a responsibility to disseminate information, they must understand that it should be accurate and they should not do anything that would cause division in a country just to sell and get an attractive headline. I must say this: the *Cayman NetNews* should be the last in this country to ridicule this country, the very last one. I can tell them what. In cases like Trinidad where they have ethnic divide and all that kind of misbehaviour, they would not survive. They would have been run out of business a long time ago. So, Cayman has been good to many of them.

Then, Madam Speaker, we get local commentary. "And another thing..." it is called. I was so taken aback by this particular one, which was Monday, 30 October, by the Major in the army, Stephen Hall-Jones. Madam Speaker, if he can have a public commentary so can I, and if he can ridicule me as a representative of this country then I can reply.

I have told my colleagues before: my first responsibility is to the people of East End and, generally to this country, because the journey into George Town started in East End. Madam Speaker, to ridicule me means he ridicules the people of East End. Therefore, they have sent me here to represent them and I take that to mean that I must reply on their behalf. I think that is simple. I do not need a rocket scientist to do that, nor do I need a lesson in administrative law to do that. And he is going to get a reply here today on this Immigration Bill.

Madam Speaker, this gentleman continues to take take his potshots at this country and all of Cabi-

net. In particular, this commentary was done on the "Rollover in the Clover". And I want to, with your permission, Madam Speaker, read some of this particular commentary of 30 October in the *Cayman NetNews*. I read:

"Rollover in the Clover

"Now we have it! It's to alleviate poverty, protect the public purse, defend the purity of the Caymanian bloodlines and prevent the wholesale takeover of the Islands by hordes of penniless, working-class Jamaicans."

Madam Speaker, you see how devious this man is? He would cause division between Caymanians and Jamaicans when there has been a long-standing relationship between these two countries, longer than he or I have been alive. But this is what he will do. And, of course, it is in the *Cayman NetNews*, so there is no one to stop the other.

Madam Speaker, a little further on he says: **"Now before I get a lecture (Ministerial or otherwise!) about not knowing my legitimate expectation from my rule against bias, go talk to the Director of the Law School. (See what I mean about self-publicising barristers!!). And on the way there pick up a copy of a handy little guide published by the Complaints Commissioner called "Good Administration and Your Rights". (OK! OK! I confess that I played a very minor role in its production but that does not lessen its value.)"** Now, Madam Speaker, the people of East End knew.

He goes on further, Madam Speaker. He says: **"If I were the Commissioner I would, personally, hand a copy to every member of every board and tribunal in the Islands and wait there while he or she reads it."** He was talking about bored, B-O-R-E-D, with the boards, B-O-A-R-D-S. And he went on to ridicule them, but I am going to deal with that a little later too.

But, Madam Speaker, I did not come to George Town from East End with any expectations of being a lawyer. People elected me maybe because of my big mouth, I do not know, but they elected me. And they did not send me to law school, but I am going to tell him what this country means to me and what it should mean to him. Because like all others, Madam Speaker (some of the Opposition) to the new Immigration Law, this gentleman seems to think that this country—Cayman Brac, Little Cayman and Grand Cayman—is only a money-making machine. Well, they must understand, like my good friend, the Minister of Education, said once: there is flesh and blood here too and there is feeling. And when people feel like they are being marginalised they say what they have to say and he must understand that.

We have people here. We have people with feelings. This is the kind of commentary that will cause them to go against another nationality which should never, ever happen in this country.

Madam Speaker, your good self and I grew up in this country, and all Members of this honourable

House. That is the one good thing about in here. He can say what he wants in the *Cayman NetNews*, but he will not ever stand on the Floor of this Legislative Assembly! That is left for me and my two children and those of us who were born here. His abilities and his administrative law will not change that, not as long as Arden McLean, the Minister of Communications, Works and Infrastructure, is alive! He will not change that one!

Madam Speaker, going back to this immigration thing that he talked about: **"Our current policy on immigration and the grant of citizenship is based on fear and defensiveness."** I hope everybody heard what he said. **"Our current policy on immigration and the grant of citizenship is based on fear and defensiveness. Let me suggest an alternative way. Start with a positive statement about the kinds of new citizens we want (and need) in the future to maintain our GDP and standard of living."**

"Then build an immigration policy around a bold, visionary scheme for how to achieve it. We could reach our goal of identifying and encouraging new citizens for the future benefit of the Islands without the fear and negativity of rollover and all the other techniques involved in creating Fortress Cayman."

Madam Speaker, I do not know which country in this world does not protect its own. Someone needs to tell me which one does not. We see the great America, the Congressmen just voted to build a wall between them and Mexico and they do not even know where they are getting the money from. Okay? But we must not make a fortress out of our little home.

Administrative law? Maybe he needs to go back to class, too, with the director of the law school or, alternatively, he needs to tell us how he got his status. Maybe he needs to tell the country that because I know where I got mine. Okay? Madam Speaker, I got mine right down there by Ms. Beulah's house, and the day that land is going to be redeveloped I am going to go there and cry because my navel string is buried right down there! Okay? Where is his? Okay? *[Laughter in background]*

Madam Speaker, I am not against foreigners coming here. God knows I am not. But this kind of behaviour . . . you remember before he got status he was a calm little fellow and he did the bidding of the Government. Then, all of a sudden, he got status by questionable beings, which was the same 2002/2003 grants in Cabinet made by the current Leader of the Opposition. And further, he needs to tell us who the Acting Attorney General was that day, if he is talking about administrative law! I do not know anything about it, but he should not have been there.

[Laughter]

Hon. V. Arden McLean: Madam Speaker, I too have feelings in my country, and I have a passion for this

country that far exceeds his. And if he is going to come to my country and ridicule me, he had better be prepared to take one or two licks too, because this is mine and I do not have a second passport! I do not even have the British one. And I am getting sick of this kind of behaviour in my country. Sick and tired of it!

When I was a little prodigy of Mr. Warren Connolly, you know what he said to me? *'This country is not for everyone,'* and this man here is teaching us that. This man is teaching us that this country is not for everyone, but a couple more of them too.

We must be very discerning on who we allow to come here. They get their foot in the door and, Madam Speaker, these are a select few, you know. I know thousands of foreigners in this country who understand and come here and make their contribution. I spoke about it recently, Madam Speaker. They go to join the service clubs. They go and they do this and that; some things that we Caymanians do not do. But this one comes here and gets his in Cabinet and then comes out and ridicules the people.

Then we have Mr. Desmond Seales, who comes, gets his status, gets awarded (I do not know for what) and now tries to cause division on this Immigration Bill that is before this honourable House. It is highly unfair to our country for them to do that.

I understand, Madam Speaker, we all have an opinion, and they must be afforded the opportunity to speak, but this is not speaking. This is trying to cause division. Then when you ask for public input on these laws they do not submit anything, but they are satisfied to just ridicule from West Bay to the Bluff in the east end of Cayman Brac.

Madam Speaker, I will tell you what: immigration woes in this country need to be addressed. It is about us bringing people here . . . And, you know, Madam Speaker, these same people will tell us that the immigrants are smarter than Caymanians. Well, Madam Speaker, I will tell you what: if they are not as smart as us, then we do not want them. They have to be as smart as us. We do not want them. That is why I say this country is not for everybody.

We must have the right to pick and choose who we want in our country, just like England does, just like America does, just like the EU (European Union) does, all the countries of the EU. We have that right and we must never give that up and, Madam Speaker, we are trying to ensure that the amendments to this Immigration Law do that for us.

You know, Madam Speaker, sometimes I wonder—and I hope nobody thinks now that I am only using my immunity in here because I believe everybody knows that I will take them on the street too. Okay? I trust they know that, and if they do not they better be listening to this because I have no fears.

Madam Speaker, the Immigration (Amendment) (No. 2) Bill, 2006 that is before this honourable House, the Opposition and those on the outside—there are a few Caymanians have some problems with it—my plea to them is to allow it to work. Let us

allow it to work because it is going to be to their benefit. I strongly believe that. It will also be to the benefit to those people who come to this country as immigrants and want to be a part of our country. The provisions are there but, Madam Speaker someone cannot really expect to come in to the Cayman Islands, work for as long as they would like and then apply for status, residency or whatever, security of tenure, and they have made no contribution. Obviously, you were only here to make the money. You do not want to integrate.

Madam Speaker, some of our most successful citizens in this country are immigrants. I can think of one: Mr. Gunther, who is now not doing too well, God bless his soul. I recall as a kid, long before Mr. Gunther even had anything called "security of tenure", coming out on the political campaign trail. Why? Because he was a part of this society. He was a part of this society; he made sure that his interests in this society were protected. He made sure of it.

Yes, I know there are foreigners in this country who fear the repercussions, but there is no need for it. There is ample reason—and I do not want anyone to say because I just jumped on this man that I am contradicting myself—but there is ample reason to suggest and to point to the fact that there are many examples of people coming to this country and integrating into this country. There are many who are my best friends. Some of my best friends came here by the plane. Why is it that those who come here in modern times do not understand that? There is an open arm. We have allowed you into this country. Try to integrate with us now. Just be a part of the country. If you intend to live here for the rest of your life you have to become part of the country. It is unlike the big countries in the world where you are a [grain] of sand on the seashore. Everyone here can be counted by face.

You know, Madam Speaker, we see a number of the major companies in this country as well—law firms and otherwise—who treat, or allegedly treat, the foreigners who come in here with the same kind of disrespect. These people are human beings too.

Madam Speaker, yes, I am the last of the generation that went to sea. Maybe my [time spent at sea] was not because of economic reasons because I wanted the experience. That was foremost in my mind. But, prior to me, that is where my father raised his family from. Me! Thankfully, I did not have to raise my two children from going to sea, but we too have experienced the discrimination when we went into America, and we continue to do it. But there is nothing wrong with the discrimination of any country, as long as it is good. And when it is in the interest of their nationals what am I to do? Go into some country and say that I must have all the privileges and rights of those people? No, I will go and integrate and ask to be a citizen of that country, if I intend living there. If I do not and I am just there to make money, then fine.

And there is much to do about the rollover policy. Madam Speaker, it just befuddles me as to why

this rollover policy has gained so much debate, that there is such traction on this debate. I know the old Immigration Law, and prior to that, there used to be a rollover policy which was discontinued in 1993). Up until 1993 there was a rollover policy which was a matter of policy, not in legislation but a matter of policy that successive governments supported.

Madam Speaker, we will hear from the large companies that it is going to create hardships to recruit. Now, Madam Speaker, I would like to look at that briefly. It is my understanding that when major firms in this country recruit overseas expertise—professionals—that they come on a two-year contract to find out if they will be able to work out with them. That concerns me, and as much as it concerns me I understand. But, Madam Speaker, there is no provision in the Law (or any law that I know of that has ever been in this country) that says that your work permit is more than one year. In exceptional circumstances, the policy is that you can get it granted for two years, three sometimes, I believe.

But, Madam Speaker, what I am saying is, the rollover policy says seven years—that is, providing you behave yourself. That provision has always been there. If I go to America to get a work permit, it is renewable once a year, or once every two years, or whatever the case may be. If I conduct myself in such a manner that is unbecoming of the culture and the rules and the values of that country, have we not heard of all the Caribbean nationals that they have deported out of America and England and Canada? Where do you think they came from? They did not behave themselves, so they go back to their country of origin. That is how it works, Madam Speaker.

The other things that Caymanians need to understand is that the seven-year-rollover policy does not guarantee anybody anything that they are going to stay here forever and ever, and for exempted employees it does not guarantee them anything either. All it does is say that you can stay two more years. During that two more years you need to apply for the provisions for residency and you need to demonstrate that you have been a good citizen and you have contributed and you have trained somebody, you have contributed something to this country . . . or get rolled over in [2009]. That is how it works. We are not allowed to do that. Poor little “we”, as the older people would talk about, Madam Speaker. I know the proper way to say it: poor little us.

Madam Speaker, why is it that we cannot do that? And then the Opposition says that we are not enhancing through this amendment in the interest of the economy of this country. They had it two years that you had to be away from the country. We have it now to one. We are proposing one because of the hardships that it was bringing upon the businesses in this country. But then the Caymanians need to understand too, and the businesses need to understand, that after being away for one year there has to be justification for a permit to be reissued to that same indi-

vidual who has been away for a year. What were you doing for one whole year? You mean there was no one doing that job?

Madam Speaker, we try to instill this fear in Caymanians and in the expat community in this country, which is highly unfair to the people of this country. We have to stop that. Every time someone gets up on his platform he tries to instil some fear in the people of this country and cause problems in our country. It is not necessarily the Opposition that sits across here, Madam Speaker, it is throughout this community – but them too, some of them too.

Madam Speaker, the rollover does not guarantee Caymanians that they will have a job. It does not. But what it will do is encourage those who have expats on their staff, and it is rolling over to put more emphasis on Caymanians to train them. That is what it will do because the expenditure to get yet another person recruited is going to cause additional hardship on any business. Madam Speaker, we just need to give our people an opportunity (even if it is a slight opportunity) to share in the Cayman miracle—this miracle that we have been experiencing for the last 30 years, this success that we have been experiencing for the last 30 years.

Madam Speaker, many Caymanians have succeeded, and I said this before: ‘our middle class is a false middle class because the majority of our middle class is working for someone else’; they are not entrepreneurs. But at least give them a chance at working for someone else. Let us take the sealing off for a few minutes, and this appeal is to those of us who are out there in the communities, the big businesses. Madam Speaker, I do not believe that the rollover policy is going to so adversely affect these businesses. Madam Speaker, every country is trying to do it.

I see where the Caymanian Bar Association and the Cayman Islands Law Society said to us that there are companies in Anguilla who are asking for the professionals who are going to be rolled over here, and I do not doubt that, Madam Speaker. You tell them, ‘Go on’ and when they get too much there they are going to do the same thing. So, it is only a matter of time. Bermuda is doing it. Bahamas. It is only a matter of time.

Madam Speaker, certainly, I would love to see people come here, integrate in our society, and stay here forever, as long as they integrate in this society. When I go to America, Madam Speaker, I drive on the right hand side of the road, you know. I’d better or my life is in danger. When the Americans come to Cayman, they cannot drive on the right hand side here; they have to drive on the left. So, it is the same thing if you draw a parallel.

We need to integrate into our society; and the rollover policy is not going to stop them from doing that. Before, we as a people have allowed all and sundry to stay here indefinitely and then they ask for security. Then the UDP Government, in their infinite wis-

dom, in 2003 had to do something about it. What they did was not necessarily what I would have done, but at least something was done and they did it.

Those same new Caymanians, Madam Speaker, I wonder if they understand that this is their Parliament and we have to protect them too. We have to protect them, Madam Speaker. The same way I jump up here and brag about protecting my children and all the Members' children's future, it is their children too. We cannot take everybody, Madam Speaker. We cannot.

And you know, Madam Speaker, the criteria is very simple: if the person is so valuable to your business that you cannot do without him, then the Boards will issue him a key employee designation. But, Madam Speaker, now it is going to be hard for me to understand that someone is employed (30, 40 people) and every one is a key employee in running that company. That is where the meat of the matter is. That is where the meat of the matter is, that is where the tyre hits the road. Those who can be rolled out to prevent us having to give them so much and continually issue work permits for those, we can roll them out and if it so happened that they leave the space vacant and they reapply after a year and they can justify it, then the people can come back. But we have broken their tenure and there is nothing wrong with that.

Madam Speaker, you know, one of the things this is going to do is assist the countries that these people come from. Take any country, and let us say we have 200 nationalities from that country (a hypothetical figure) and they are rolled out. Madam Speaker, you know probably 200 more are coming from there.

There is a possibility that 200 more can come from there. Do you understand, Madam Speaker, that in 14 years that is 400 that would have come from that country that have done better for themselves? That is how it works. And I am only using that from a hypothetical perspective.

Madam Speaker, this phrase "rollover policy" makes me feel like puking sometimes. Every newspaper you pick up, particularly the *Cayman NetNews*, you cannot find another word said.

[Laughter and inaudible interjection]

Hon. W. McKeeva Bush: [Inaudible] rolled over.

Hon. V. Arden McLean: Rollover, rollover, rollover. Rollover for what?

[Laughter and inaudible interjection]

Hon. V. Arden McLean: Rollover for what?

[Inaudible interjection]

Hon. V. Arden McLean: It appears like we want us to roll over.

Madam Speaker, I believe in freedom of speech but, Lord, I do not know where this . . . Sometimes I wonder if we don't have to curtail some people. I know they are going to—now, that will be the next thing. The Minister of Communications says that certain people have to be curtailed and they need to put a padlock on their mouth or something, or suture their mouth up or something, or censorship or something. So, I expect that tomorrow morning. So what? So what?

The one good thing about me being in this country is that, Madam Speaker, I know that I have put up with everybody, but my one consolation is they are all going to have to put up with me too!

[Laughter]

Hon. V. Arden McLean: Forever and ever and ever, because I made it clear with my siblings and my two sons: bury me in this country. So, whether I am standing here, I am driving in the street, or they are driving by the cemetery they are going to put up with me.

[Laughter]

Hon. V. Arden McLean: Madam Speaker, I want to touch on—I know my good friend, the Second Elected Member for West Bay, touched on the key employees designation, and as proposed to the designation of workers in certain professions as key employees by Governor in Cabinet. Now, Madam Speaker, here again the Opposition knows better, you know. But my good friend is playing that Opposition role very well. That is why he will always play a good role wherever he goes.

Madam Speaker—

[Inaudible interjection by the Honourable Leader of the Opposition]

Hon. V. Arden McLean: You know, for instance, these amendments are proposing a . . . they have re-drafted the initial way that we were proposing this to ensure that there are adequate checks and balances with respect to the exercise of the powers of Cabinet, but nobody says that. And this is in the best interest of democracy and good governance as well, Madam Speaker.

So, Madam Speaker, the proposal is that any designation made by Governor in Cabinet will have to meet strict criteria which will be set out in the Regulations. The Regulations will be tabled as soon as the amendments become law. Madam Speaker, I know someone will say, 'Oh, it needs to be debated here first.' That is true and we will soon debate it and we will put it to the vote. And those who would like to vote against it—because the Opposition said they were voting against it, which is fine. I find it kind of strange that they get up here and say that the five Members of the Government now supported it when we did it and,

all of a sudden, now we are trying to make some amendments and they are talking about they are not going to support it. Is that jealousy or what?

Madam Speaker, I think out of respect they should at least give this one the same opportunity we gave the other one to work. I know the Fourth Elected Member for West Bay is going to vote for it.

Madam Speaker, the new criteria set out in the Regulations on the designation of key employees by the Governor in Cabinet, once that has been done (the Governor in Cabinet makes those designations), those designations will be subject to disallowance in the Legislative Assembly by negative resolution.

Madam Speaker, for the listening public please allow me to let them know what that means. What that means is that those who have come down here—and they will lay here in the Legislative Assembly until one of the Members of the Opposition—that is, for 21 days before it is allowed. During that 21 days, any Member of the Opposition can move a motion that they be disallowed and they be debated in this honourable House and everybody hears who they are.

Now, Madam Speaker, I have never had the experience of debating one of those motions in the six years that I have been here, but I am looking forward to it since the Opposition has now said that the Governor in Cabinet—that is, the PPM Government—is going to be all powerful with designating whomever they want to designate, and could be designating this one and their good friend and the what have you. Madam Speaker, the public must know that the same Opposition Members have a responsibility to them, with a Leader who can pick up the helm and carry out that responsibility by moving a motion to have it debated in here. That is simple. Now if they do not do that that means that they agree with it.

Madam Speaker, those are the democratic checks and balance on any Cabinet. If and when this Cabinet makes any designation, I am looking forward to hearing the reasons why they should not be so designated—and that is any group of employees, workers, professionals, whatever.

Madam Speaker, there are a number of reasons why the criteria that these designations must meet, things like global shortage of persons in that profession; economic need to attract certain types of businesses to the Islands, and if there is difficulty in attracting or retaining a particular professional category on the Islands. Madam Speaker, I think those are three good reasons why Cabinet and this honourable House should retain the right to do that.

Madam Speaker, how many times have we not heard: *'We need to diversify our economy. We need to think about things other than tourism and finance, We need to do this, we need to do that to generate more revenue and attract more businesses.'* Well, Madam Speaker, I mean, there are many that we do not have here. I can think of one right off the top of my head: reinsurance. I believe we only re-

cently registered our very first reinsurance company, and we may have two by now. But, Madam Speaker, that is the kind of thing that if we want to attract that kind of business in mass, we look at the possibility of giving those certain designations—key employee designations, people who work in that industry, the professionals who work in that industry.

So, Madam Speaker, it is not all doom and gloom as my good friend, the Second Elected Member for West Bay, would have us believe and the Leader of the Opposition.

Madam Speaker, there is so much to debate on these amendments. You know, look at how we changed the term limits. By Committee stage amendment we are allowing people who are on fixed-term work permits additional time (until the end of January) to apply under this new Law for their key employee status. Or, if they are eligible for permanent residency then they can do that at that time.

Madam Speaker, I believe this country continues to be fair and open-armed to the people who come here to work with us, and this is a classic demonstration of that. I know a number of people had their position fixed based on the rumour mills and the marl road in this country. But now that this has been circulated and the "proof of the pudding" is right here, even the Opposition will agree that it is not as bad as the rumour mill had it and it is fair and it is not F-E-A-R that I am talking about, Madam Speaker.

You know, I really believe that we need to genuinely look at this, objectively look at it, and give an informed opinion. I hear the talk shows, I listen to them every day, and we hear the uncertainty of Caymanians. We hear it because it is perpetuated by those others who would have us believe that they are genuine and they mean this country well. Mind you, Madam Speaker, there are a number of Caymanians who are like that too. They speak with forked tongues. One minute they say one thing, the next minute they say another. If they are in a public forum they will say one thing, and as soon as you get them behind closed doors they justify it and say, *'Listen, we had to say that because of the forum we were in.'* Not me, Madam Speaker.

We have to be principled in this country. That is how this country was built, and I believe that is how it should continue to be built. We have to be fair to people who come to this country. Madam Speaker, a number of people do not subscribe to this philosophy of mine: there is nothing wrong with being in the minority if you are in charge. In any organisational structure there is only one person at the top. The bottom of that pyramid holds all the people, but the one person at the top is in charge, though.

We go to many countries. We go to Korea. The population there is similar to that which we have here, but you must adhere to the rules and the laws that they have in place. You cannot drink alcohol on the street.

Madam Speaker, you know, I am reminded that the headline (I think it was today or yesterday) talked about me—I think it was today—talked about me saying people coming here must go through driver's license and that kind of stuff. Madam Speaker, I question why not. Why not if you are going to be a resident here? If I go to America I can go to any of the rental agencies and rent a car for a week, two weeks, or whatever. But trust me, if I intend going to school for an extended period of time or residing in America, I will not drive under the Caymanian licence. No. But everybody who comes here must tell us how we do it. We are unique too, you know? We are unique and I am just as proud as a peacock with his tails up about being unique in this country—so why not?

Madam Speaker, I am going to give you a classic example of why I am justified in saying what I said. Last night the NRA (National Roads Authority) was trying to finish off the paving on North Sound Way. I said in this honourable House in Finance Committee that I was going to put the mechanisms in place to direct the traffic to facilitate efficient traffic flow.

Madam Speaker, the workers were up there last night trying to get that finished, right there at North Sound Road junction and North Sound Way by A.L. Thompson's Home Depot, and a foreign national almost created a fatality there. Why? Going the wrong way. Wants to come out of North Sound Road from Welly's Cool Spot direction, and the curbing requires him to go left around the roundabout. He went through to try and get right and almost killed someone . . . precisely what I am talking about. Now this morning we have had to waste all day of two policemen's time to stay there and direct traffic because of a few individuals? And I am not justified in saying what I said?

Madam Speaker, everybody knows that this is a favourite byline of mine: I make no apology. No apologies coming from me. Mind you, Madam Speaker, we have some Caymanians that are going to do it too, you know? They will do it just to go against the grain of the system. But, Madam Speaker, more and more people are coming to our country—in particular, I am talking about the driving culture here now. Something that is alien to this country, foreign, and we must exchange these licences that have been forged someplace else? No, no, no, no, no, no, Madam Speaker. I have said it before: I may have put up with everybody, but they have got to put up with me too. Simple.

Madam Speaker, this is not to run people away, it is to say, *'When you come here these are the rules,'* and we have always heard that the Cayman Islands' people and its legislators do not put the rules in place. Now we try to do it and we are the worst people in this world. No, Madam Speaker, sometimes it makes me wonder why we are here. It appears like we have to be subjected to the whim and fancy of everybody, and they remind us of their contributions to this country and our shortcomings but, nevertheless,

Madam Speaker, they have to show us. Many of them have to show us. That Janet Jackson thing: *What have you done for us lately?*

Madam Speaker, there are so large companies in this country. How many are being run by Caymanians? How many have ownership there as Caymanians? Very few. But they say they train us, they say they train our people. I wonder if it should reach the point that it has reached in other countries, where the governments implement investigations to find out if Caymanians are really being trained. Maybe it has reached that point.

Madam Speaker, I just hope that those who would argue and oppose the new immigration amendments take a close look at us and themselves and think about it. Many of them have made millions and millions and millions of dollars in this country. Sure, some of them can put back into society. But what is monetary value? What about when I have to go out on the street and try to arrest some of the behaviours of my children, my own Caymanian children, and foreign nationals to make their lives that much better and to maintain the way of life in my country? I bet you they are not coming out to do that, not a one of them—very few of them.

Madam Speaker, I do not want it to be said, nor anyone to believe, that I am anti-foreigner. I am not anti-foreigner. I am just a little pro-Caymanian. That is all I am. What is wrong with that? I am pro-Caymanian but with an open heart to engage those who would want to share in that defence of Cayman. That is all I am.

And, Madam Speaker, over the years I have written many letters to the Immigration Boards recommending people to be Caymanians because I believe in them, and very few times (knock on wood) have they not received it, because I am going to tell you this, Madam Speaker: some have asked me to do it too and I have said no. That is who I am. If I do not believe you are a part of this society I will not do it. I will not lie on future generations.

Mind you, Madam Speaker, some of those same foreigners in this country are treated worse than Caymanians are treated, you know? You look in some of these big firms, Madam Speaker, and you get a lot of those managers and secretaries who come from elsewhere and they are treated worse than Caymanians are treated. We have to protect them too. And those same ones at the top who will be Caymanians, or would like to be Caymanians, treat those with the absolute disrespect, and that bothers me because they are human beings too, Madam Speaker. They are really human beings. But they will try to make us believe that they do not treat their people badly.

Many believe that ill treatment (if we can call it that) of Caymanians is only for Caymanians. No, Madam Speaker, that is the wrong thing to think. They have these little "old boy" clubs that you cannot get into, and anyone who is not a part of that, especially those that come from certain Ivy League colleges and

universities, is treated with total disdain whether they come from their country, or this country, or another country for that matter.

Madam Speaker, as I said, I was not going into any great detail on the Law. These things have to be said.

Madam Speaker, I would truncate my debate here in order for my colleagues, especially the Minister of Education to get up and make his contribution. Unfortunately, I do not have any time to give him over the two hours.

[Laughter]

Hon. V. Arden McLean: Let me just make my appeal to all and sundry. This is not about Caymanians only and the protection of Caymanians only, it is also about integration into this society. Those who are here, those who will come, come join us. And I mean really join, Madam Speaker. We are only putting the provisions in place to assist them and direct them in how they should join us. Madam Speaker, I believe the harmony that we have experienced in this country, this Bill can only enhance that. This Bill can only enhance that.

But remember they must understand that this country is not for everybody. If they want to live here forever, Madam Speaker, they need to understand that we cannot have everybody, and for them to live here forever we need to be very discriminating on how many of us live here. So, those who would come and the ones who contribute to this country, we welcome them anytime they are ready to come. At least I personally do, and I know the PPM Government does, and the Opposition did before. I do not know if they have changed their minds now, but at least three more are there to speak, and I am sure they will tell us. And I am almost sure they do, Madam Speaker. That was tongue-in-cheek.

But, Madam Speaker, let me wish your good self, all of my colleagues and their families, and the staff and their families a Merry Christmas and a prosperous New Year and, for that matter, the people of East End. I would like to take this opportunity to extend the Season's Greetings to them in particular and the country in general. I look forward to a very, very prosperous 2007. There is much to be done and there is much to be had in this country, and I encourage all and sundry to get out and join hands in getting and moving this country forward.

I thank you, Madam Speaker.

The Speaker: As it is the intention of the House to go beyond 4.30 this evening to complete the business, I am going to take a suspension at this time of exactly 15 minutes, please.

Proceedings suspended at 3.54 pm

Proceedings resumed at 4.15 pm

The Speaker: Please be seated. Proceedings are resumed. Debate continues on the Immigration (Amendment) (No. 2) Bill, 2006. Does any other Member wish to speak? *[pause]* Does any other Member wish to speak? *[pause]* If no other Member wishes to speak—

Honourable Minister responsible for Education.

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

Madam Speaker, I welcome the opportunity to offer my contribution to this important debate on the Immigration (Amendment) (No. 2) Bill, 2006.

Madam Speaker, I did not have the opportunity to listen to the debate on this Bill on Monday as I was off Island, but I did have the opportunity to read the unedited transcripts of the contributions made by Members on that day, and I was astounded at the contribution made by the Honourable Leader of the Opposition.

To say, Madam Speaker, that the Leader of the Opposition's debate on the Bill was devoid of substance is to pay it an undue compliment. It reminded me of some lines from Macbeth that I was required to memorise a long time ago in high school, in which Macbeth said, among other things, "**It is a tale told by an idiot, full of sound and fury, signifying nothing.**"

Madam Speaker, on a matter as important as this, and on a matter which the Opposition has sworn to oppose, one would have expected the ostensible Leader of that group to offer some analysis; to offer some constructive criticism of what is being proposed. Especially, Madam Speaker, when it is borne in mind that the underlying premise and principle of the Bill was something of which he claims to have been the architect, author and genesis of. That is, the much maligned, interminably debated rollover policy. But no such analysis, Madam Speaker, no such criticism was forthcoming. Instead, the House, it appears, was treated to diatribe, vitriol and bombast. Now, perhaps, Madam Speaker, that is unsurprising.

The Honourable Leader of the Opposition has been in this House for 20-plus years. I think the entire country is familiar with his style of debate and, in my view, the lack of substance usually contained therein. But, Madam Speaker, one of the things that I had to say to myself that went way beyond the pale, even for him, is the complaint about the fact that the notice period for the Bill being given to Members had been abridged. I am not going into all of the reasons for that; the Leader of Government Business has done that admirably.

I just want to remind this honourable House—the Leader of the Opposition, in particular, and the wider listening public—that it is not only the abridgement of time which characterised the Government of the United Democratic Party over its three-and-a-half

years of reign, in relation to this particular matter (that is, the Immigration Law, the one that is currently operating) the selfsame Leader of the Opposition who was then Leader of Government Business introduced the present Immigration Law to this honourable House on 15 December 2003.

Madam Speaker, do you know what his first words were? I am quoting now, Madam Speaker, from the Official *Hansard* Report of 15 December 2003, which starts at page 1193: “**Thank you, Mr. Speaker. I move for the suspension of Standing Order 46(4) in order to take the Second Readings of the Bills on the Order Paper.**” One of those Bills, Madam Speaker, was the Motor Vehicle Insurance (Third Party Risks) (Amendment) Bill 2003, but the other—and the pertinent one—was the Immigration Bill 2003.

Now, Madam Speaker, that was the substantive Bill. What is before this honourable House are amendments thereto—that is, the 2003 Bill, which introduced this issue which is on everyone’s mind and at the core of this debate and of the debate that has surrounded immigration legislation certainly since this Government took office. That is, the limited terms policy, or the rollover policy as it is commonly called.

So, Madam Speaker, at a time when this very, very controversial, fundamental change in immigration policy was being discussed, being debated, the Honourable Leader of the Opposition cries foul now at having not sufficient time to prepare. At the time when he was introducing the Bill which contained that, he had no compunction whatsoever in suspending Standing Orders to ensure that the debate could carry through. And the reason why, Madam Speaker? Because the Bill, as is the case this time around, needed to be passed and in effect by 1 January 2004.

So, Madam Speaker, it is important, I believe, that the House and the broader listening public understands that so that they can give the plaintiff cries of the Leader of the Opposition and his colleague from West Bay, the Second Elected Member, such credence as they think it ought to have.

Now, Madam Speaker, I do not know if there is anything in the Leader of the Opposition’s speech that warrants any comment from me or any other Member of this House because it is just (what is the word I am looking for?) “Vintage McKeeva Bush.” There is nothing but railings. He has included everything from—

The Speaker: Honourable Minister, I would rather if you use First Elected Member for the district of West Bay.

Hon. Alden M. McLaughlin, Jr.: Thank you, Madam Speaker. I will, but it just did not sound right to say “vintage First Elected Member for West Bay”. [*Laughter*] I apologise.

Madam Speaker—

[*Inaudible interjection*]

Hon. Alden M. McLaughlin, Jr.: He went on at some length about how—

[*Inaudible interjection*]

Hon. Alden M. McLaughlin, Jr.: He went on at some length about how this Government has destroyed a good immigration law and a good immigration policy. And he has joined the Forces of Darkness—most of which seem to live in *Cayman NetNews*’ offices but there are some others—and predicted doom and gloom and ‘*this is the end of Cayman as we know it and we are driving away good business*’ and all of that nonsense, Madam Speaker. Let me not search for more adjectives to describe what it is.

Madam Speaker, the irony of all of that—and even more importantly, the irony of this entire debate which has surrounded what this Government has sought to do for over a year now: arrive at amendments which would enhance the operation of the Immigration Law; would add certainty; would add fairness; would add transparency to the process; would add effectiveness to the functions of the Immigration Board and the Department of Immigration—the irony of all this debate is that virtually all of those efforts have been entirely ignored. The debate has centred, and continues to centre, at least from the Constituency of Darkness, on the rollover policy and why it is that this Government is not abandoning the rollover policy.

Now, the Opposition has been caught in a very curious position because while he rails at the amendments and says that he cannot support them, the Second Elected Member for West Bay is wedded to the rollover policy. So, it is very difficult for one to understand why it is that the Opposition has difficulty in supporting the amendments that are before this honourable House. They are aimed at improving the operation of the Law—

[*Inaudible interjection*]

Hon. Alden M. McLaughlin, Jr.: —they are not aimed at the rollover policy. The only reason is—and I have searched my mind since I read the contribution of the Second Elected Member for West Bay—that they have concluded that to support the amendments which are going to make the Law better is an acknowledgment on their part that there were problems with the Law in the first place.

Now, Madam Speaker, Blind Bartimaeus would have understood that there are fundamental problems with the legislation the way it is. If the Second Elected Member for West Bay believes that this Government, which has countless things to do, would devote I cannot tell you how many hours but almost two dozen separate meetings to dealing with this piece of legislation, to put this centre stage so that the editor of *Cayman NetNews* and all of those other nay-

sayers and those who are determined to do everything they can to undermine the efforts of this Government, could have something to write about for one year . . . I do not know what *Cayman NetNews* is going to write about when this Bill is passed and all of the dust is settled. I just hope they can stay in business—

[Inaudible interjection]

Hon. Alden M. McLaughlin, Jr.: —because they will have to look for some news then.

[Laughter]

Hon. Alden M. McLaughlin, Jr.: If he thinks that this Government has gone through all of that just because we want to make the government of which he was a part look bad, Madam Speaker, we do not need to make them look bad. The country determined they were bad way back in May 2005. That is why they are sitting where they are. And most of the time when the Leader of the Opposition gets up and opens his mouth he confirms why he is the Leader of the Opposition and will stay there for a long, long time, perhaps until he retires. So, we do not need to go to separate—

Hon. W. McKeever Bush: *[Inaudible]* but you don't have *[inaudible]*

Hon. Alden M. McLaughlin, Jr.: We do not need, Madam Speaker, to find reasons to make the former government look bad, we have got too many important things to do. The whole purpose of this exercise was to add efficacy, effectiveness to the legislation that is before us.

[Inaudible interjection]

Hon. Alden M. McLaughlin, Jr.: Madam Speaker, you know—

[Inaudible interjection]

Hon. Alden M. McLaughlin, Jr.: I have a lot of time for the Second Elected Member for West Bay. I think the young man has a real contribution to make to this country. But we are fast reaching the point where we are able to forgive some of the things he says and put it down to youthfulness and to him being led astray, principally, by the Leader of the Opposition. He has been in this honourable House long enough, and politics long enough, to develop a mind of his own, which most of the time he gives every indication that he has one and that he thinks about things.

[Inaudible interjection]

Hon. Alden M. McLaughlin, Jr.: However, Madam Speaker, because I like him and because I really think

he has a future and a contribution to make to this country, I would urge him again, publicly, to distance himself from some of the things that the Leader of the Opposition says, simply because he is the Leader of the Opposition. And, not to follow so slavishly some of those precepts. In this case, Madam Speaker, he has struggled every step of the way—and I know when he is struggling in his speech—to find a basis for saying that he is not going to support these amendments. And he rails on ad nauseam about me, and that is fine. I forgive him entirely for those things, Madam Speaker.

[Laughter and inaudible interjection]

Hon. Alden M. McLaughlin, Jr.: However, he needed to spend a bit more time analysing what the purpose of these amendments were.

Madam Speaker, I am not going to go through them in detail; the Leader of Government Business has done so in his address. However, as has been said before, we have reduced the period which one has to absent themselves from the country at the expiration of their seven-year term limit; we have made the whole basis for the grant of permanent residence more egalitarian; we have addressed anomalies in relation to the fixed-term work permits and issues that would arise from that; we have addressed the question of persons who have been here for extensive periods of time; and created a category which guarantees them almost automatic permanent residence.

[Inaudible interjection]

Hour of Interruption—4.30 pm

The Speaker: Honourable Minister, would you give me a few minutes to get a suspension of Standing Orders to go beyond 4.30? You can—

Hon. Alden M. McLaughlin, Jr.: Yes, Madam—

The Speaker: You can move it yourself, Standing Order 10(2).

Suspension of Standing Order 10(2)

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

Madam Speaker, I move the suspension of Standing Order 10(2) to enable the business of the House to continue beyond the Hour of Interruption.

The Speaker: The question is that Standing Order 10(2) be suspended in order to continue business beyond the hour of 4.30. All those in favour, please say Aye. Those against, No.

Ayes.

Agreed: Standing Order 10(2) suspended to allow proceedings to continue beyond the hour of 4.30 pm.

Hon. W. McKeeva Bush: Madam Speaker?

The Speaker: Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: I would wish to find out from the Leader of Government Business how long we plan to sit tonight.

The Speaker: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Madam Speaker, it is the intention to complete the Second Reading and the Committee stage of this Bill and, if possible, we would also like to do the Third Reading.

Hon. W. McKeeva Bush: Are we not coming back tomorrow? We need to come back tomorrow.

The Speaker: Well, the question was already answered so . . .

Hon. W. McKeeva Bush: All right.

The Speaker: Honourable Minister, would you continue your debate, please.

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

Madam Speaker, I was pointing quickly to some of the important changes which have been explained in more detail by the Leader of Government Business that these amendments seek to achieve.

We are proposing an amendment that corrects what amounts to an anomaly in respect of a certain class of persons who should be entitled to apply for the right to be Caymanian, but who presently are not so permitted under the current legislation. These, Madam Speaker, are persons born between 27 March 1977 and 1 January 1983 and who are British Overseas Territories citizens by birth. Such persons will now be able to apply to the Chief Immigration Officer for the grant of the right to be Caymanian.

As I indicated earlier, Madam Speaker, there is an automatic grant to applicants for permanent residence who have been resident here for 15 years or more.

We have continued the provision which we brought earlier this year which allows those who are currently on temporary work permits to apply for a full work permit without having to leave the Island and to continue working until the determination of their work permit.

Madam Speaker, we are proposing a provision which allows Cabinet to determine that certain categories, or sub-categories, of employees are to be

declared as key employees. We have clarified the operation of the key employee provisions as far as the Board is concerned.

[Inaudible interjection by the Honourable Leader of the Opposition]

Hon. Alden M. McLaughlin, Jr.: We have cleared up countless anomalies and discrepancies and omissions in the legislation. The amendments before this honourable House are 65 pages: there are 56, I believe, clauses.

Now, Madam Speaker, as I said when I started, the Second Elected Member for West Bay ought to realise that this Government has not gone out on this exercise looking for work, looking for more and more things to do. We understand, we appreciate the uncertainty that the current situation creates, but every single chairperson of those Boards—the Immigration Board, the Business Staffing Plan and the Work Permit Board—told us that the provisions, as they currently were, made it very, very difficult for them to function and, in many cases, led to injustice, led to inconsistencies. That is what we are seeking to resolve. That is what these amendments are seeking to do. And if the Opposition, having heard that and understood that, still believe that it is in the best interest of this country for them to vote against these amendments, then it will be on their consciences. It will be on their records, and I assure them the country, at the appropriate time, will be reminded thereof.

Hon. W. McKeeva Bush: Yeah, they sure will!

Hon. Alden M. McLaughlin, Jr.: So, now, Madam Speaker, as I said, that ought to have been the core of the debate on these issues, but public discussion on the radio, in the newspapers, in the broader community has actually made the central feature of this debate—

[Inaudible interjection by the Honourable Leader of the Opposition]

Hon. Alden M. McLaughlin, Jr.: —something that is not contained at all in the Amendment Bill, and that is the limited-term policy.

Every single media house, newspapers—*printed media* (that's the word I'm looking for) has commented at some point or the other in relation to the rollover policy. Madam Speaker, that is not only fine but that, I believe, is their duty and their obligation. This Government when we were in the Opposition, when we were on the campaign trail, and I believe our actions and statements since we have taken office, have made it absolutely clear how committed we are, how important we regard freedom of the press and their duty to comment, to report on matters generally, but in particular, on matters as critically impor-

tant as these. So, Madam Speaker, there is no issue, there is no question about that.

Some, Madam Speaker, to say they have gone overboard, I believe, would be an understatement, like *Cayman NetNews*. As I said, they have found it impossible to write an editorial without some reference to the rollover policy. But so be it. People take it for what it is worth.

I was recently at a conference in South Africa and there some of my colleague ministers from the overseas territories said, 'You have one of those newspapers over there as well?' I said, 'What's that?' They said, 'A newspaper which functions as the unofficial opposition to the government.' I said, 'Oh, yes. We do. We do. We do. It is called *Cayman NetNews*.'

[Laughter]

Hon. Alden M. McLaughlin, Jr.: So, even the broader international community knows—

[Inaudible interjection]

Hon. Alden M. McLaughlin, Jr.: They know the particular creature when they see it, you know? It is not unique to Cayman. So, that is fine. It is par for the course. And as I said, there is also what I call the Constituency of Darkness, which is the commentators who seem to find nothing positive about Cayman. Sometimes I wonder why people like Gordon Barlow bother to live in Cayman because Cayman is such a terrible place. We breach human rights at every single move—

[Inaudible interjection by the Honourable Leader of the Opposition]

Hon. Alden M. McLaughlin, Jr.: No government, regardless of who they are—

Hon. W. McKeever Bush: That is right.

Hon. Alden M. McLaughlin, Jr.: —ever does anything right. It is always a conspiracy to hide this and to squander that.

Hon. W. McKeever Bush: That is right.

Hon. Alden M. McLaughlin, Jr.: You put him on the Human Rights Committee, because he does not get his way, he walks off and says [inaudible] . . . you try to include them—

Hon. W. McKeever Bush: (interjects) See, tell me 'bout him.

Hon. Alden M. McLaughlin, Jr.: He does not have the stick-to-itiveness to go the course, because despite all of the claims of regard for human rights and basic things like democracy just do not feature in his

agenda, which means that if the majority of the group decide a certain course of action, that is the way it is going to go.

And then we have the "Gordon Barlows" and we have the "Majors", and there is another fellow I see writing now called "Jerry Miller". It is all doom and gloom. The rollover policy is being blamed for breaches of human rights; it is being blamed for inflation; it is being blamed for cost of living; it is being blamed—and even the Leader of the Opposition has bought into this one. It is driving business away; people are leaving the country in hordes, all absolute nonsense, Madam Speaker.

If any of these people would spend five or ten minutes to do some basic research they would find that the numbers are not at all what they think. Indeed, Madam Speaker, since the introduction of the rollover policy which was introduced by the Honourable Leader of the Opposition—

Hon. W. McKeever Bush: Yeah, me—

Hon. Alden M. McLaughlin, Jr.: —and of which he complains now.

Hon. W. McKeever Bush: —me one, all by my lonesome!

Hon. Alden M. McLaughlin, Jr.: Since the introduction of it on 1 January 2004, the number of people on work permits has increased by about 6,000. There are almost 24,000 people on work permits now.

[Inaudible interjections]

Hon. Alden M. McLaughlin, Jr.: There were 18,000, or thereabouts, in January 2004. So, if people are leaving in droves . . . and I am waiting to see the evidence of that. Of course people are leaving. The system is designed to roll people out of the system; that is what it is for. They are being not only replaced but significant additional numbers are arriving, and if they are arriving that must mean that there is work for them to do. So, I am not quite sure how I follow the logic of the Constituency of Darkness. But, Madam Speaker, there we go.

Indeed, Madam Speaker, I am not going to spend a great deal of time because it does not matter which *Cayman NetNews* I pick up, there is a negative story about how Cayman is going down the toilet and how the rollover policy is the agent, the catalyst, the whatever, for this.

But there was a useful article, or part of an article, in the *Cayman Observer* recently, which I just showed a moment ago to the Leader of Government Business, in which they make precisely the point that I have just sought to about the numbers. And, Madam Speaker, if I could have a moment, I will see if I can recover it from amongst my millions of pieces of paper that I have on this desk. [pause]

Madam Speaker, it seems like someone must have removed it from my desk, but I will come back to the point, because the article—

Hon. W. McKeeva Bush: No, look [inaudible]—

Hon. Alden M. McLaughlin, Jr.: —simply—

Hon. W. McKeeva Bush: —what he said and what the [inaudible]—

Hon. Alden M. McLaughlin, Jr.: —simply bears out—

Hon. W. McKeeva Bush: No, but [inaudible]—

Hon. Alden M. McLaughlin, Jr.: I think I have discovered the individual who has purloined my *Cayman Observer*, and I will try to retrieve it from him, Madam Speaker.

[pause]

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

Madam Speaker, just so that persons do not think that I am entirely self-serving, it is the *Cayman Observer*, Issue 120, 14 December - 20 December 2006. The article is actually entitled “Time to Abolish ‘Key’ Employee Rule”, which is a different point which I will probably deal with. This bit talks about the rollover policy and how it has done nothing at all to stem what they call the “population explosion”. I will read this excerpt, Madam Speaker: **“Ask most expatriates if they think the population is rising since the implementation of the rollover policy, and a surprising number will probably answer, “No”. But they would be wrong.**

“The population has risen from a pre-Ivan level of about 40,000 to about 52,000 today (not counting several thousand people on temporary permits), which is staggering enough, but could partly be a reaction to the post-Ivan construction boom. What is more surprising is that this level of growth seems set to continue, even as the boom fizzles out.”

And then they refer, Madam Speaker, to this Government’s Strategic Policy Statement and to the words of the Honourable Financial Secretary, the Third Official Member, in which he **“predicts that the number of people in work will rise from about 35,000 today to about 38,500 by 2010—an increase of about 10% in four years.”** And it continues: **“Thus, rather than falling, or even stabilising, the Cayman Islands population is set to continue its inexorable rise, the rollover policy notwithstanding.”**

“The revelation confirmed, not for the first time, that it is really a myth to think that the rollover policy will lead to a reduction in the Cayman

Islands population. While the economy may have matured to a point where the dramatic population increases of the 1990s will never happen again, there is still sufficient prospect for steady growth, particularly in financial services, to ensure that the numbers of workers here will continue to rise.

“What will not rise to the degree of before, on the other hand, is the permanent population – in other words, Caymanian status-holders and permanent residents.” And it concludes, Madam Speaker, **“This is why the rollover is still, on balance, required.”**

So, Madam Speaker, it is irresponsible, it is downright reckless for anyone—but particularly the editor of what they like to call “Cayman’s news leader”—to make these pronouncements of doom and gloom without pointing to any evidence whatsoever. And it is even more irresponsible for the Leader of the Opposition—who introduced the policy—to buy-in to this stuff that is being sold by the “Constituency of Darkness.”

Hon. W. McKeeva Bush: You don’t have anything else to talk about? You know how many times [inaudible] yourself?

Hon. Alden M. McLaughlin, Jr.: Madam Speaker, I sense that I have somehow upset the Leader of the Opposition a little. He was in such a wonderful mood this afternoon. I deeply regret that, but—

Hon. W. McKeeva Bush: I’m still in a good mood!

Hon. Alden M. McLaughlin, Jr.: I am afraid, Madam Speaker—

Hon. W. McKeeva Bush: It’s your foolishness that is getting wearisome.

Hon. Alden M. McLaughlin, Jr.: —what the Leader of the Opposition said in his contribution on Monday requires me to say those things. Because as I said—

Hon. W. McKeeva Bush: That’s because you’ve got nothing else to say. And I’m not going to sit and listen to it any longer.

Hon. Alden M. McLaughlin, Jr.: — because, Madam Speaker—

Hon. W. McKeeva Bush: I thought you were going to really enlighten me, but you’re not. You’re not really enlightening you know; you are insulting, but you are not enlightening!

Hon. Alden M. McLaughlin, Jr.: —he did nothing at all to analyse the legislation before the House, but he spent all of his time crying doom and gloom.

I wonder, Madam Speaker, what it is that the Constituency of Darkness is seeking to achieve. If

they are all part and parcel of this community, if they all believe that this is a wonderful place to live, work and do business (which is why they are here in the first place) why is it that they insist on sending a message every single day of the week to Cayman and the wider community—

Hon. W. McKeeva Bush: Madam Speaker, you need a quorum.

[pause]

The Speaker: Honourable Minister, you may continue your debate.

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

I was saying when the Honourable Leader of the Opposition kindly pointed out to the House that we were not quorate, that I wonder . . . it keeps me awake at night sometimes actually, Madam Speaker, what is it that the Constituency of Darkness is seeking to achieve. The Government has made it clear, absolutely clear from very early in the day, that the rollover policy, the limited term policy, would remain a central feature of the architecture of our immigration policy and law.

[Constant background talk (mostly inaudible) by Leader of Opposition: "McKeeva Bush (calls his own name as he speaks) is going to leave. Alden [inaudible] to finish his speech now. Sail on oh ship of State!"]

Hon. Alden M. McLaughlin, Jr.: The Opposition, despite its meanderings recently, is also committed to the policy. The broader community is supportive of the policy. So, Madam Speaker, what is to be achieved by constantly proclaiming that this policy is going (to use the Cayman expression) to be "the ruination of this place"?

Madam Speaker, I have learned in the short time that I have been in this office (which I did not fully understand when I sat on the Opposition) that the measures to which, particularly in big business and in the media, the measures to which some of them will have regard when they do not believe that they have sufficient control or influence over what the Government does or says. And I am not talking about proper consultation, Madam Speaker. This Government is committed to consultation. We have done that on every meaningful piece of legislation that has come before this House since we took office. So I am not talking about consultation, I am talking about improper influence, or attempts at improper influence. I am talking about people who get bent out of shape because the Government does not do what they want done to affect or improve their business prospects.

I would like, Madam Speaker, to wish a good evening to the Leader of the Opposition as he departs the Chamber.

Madam Speaker, I want to say this: This Government, these men and women who are part of this Government, have one quality that endears them to me, and I believe endears them and us to the electorate, and that is integrity. They may like me, they may like me not; they can say as the Second Elected Member for West Bay has said, that I ought not to say certain things. I ought not to acknowledge that Caymanians resent in many respects the huge number of expatriates who are here, the impact of that. But no one will ever say honestly that anybody outside of this Government controls me or what I say. The day that I believe that any member of this Government is the subject of improper influence in making decisions is the day they leave, or I leave. My personal integrity is far, far too important to me. Far too important to me!

There are some, as I said, who are bent out of shape because this Government does not do their bidding.

Tough!

When the time comes that I have to give account, this Government has to give account for its stewardship to the electorate, we will do so. And there will be things that we have done which perhaps could have been done better. Some might even be wrong, because that is human nature. But as long as I can look the electorate—but more importantly, my children—in the eye and know that any decision I took, or any decision this Government took, was based on proper research, consultation and regard for what was in the best interest of this country, I will happily go to some other place and do some other job than this one, if that is not what the public wants.

I am just making it clear, Madam Speaker, to those who think that this Government, or this Member of this Government, is ever going to be susceptible to pressure, to offers, to improper influence, to go knock on somebody else's door. And they can write as many articles and editorials as they want about that, or about anything else. They can write as many letters as they want. That is fine. I've got to live with myself. I've got to live with myself!

Madam Speaker, the weight of office is heavy. The mantle of responsibility that comes with this means that you get criticised, you get beaten up, you are never off duty. That is fine. I do not have any issue with that. None of us have issues with that.

We do not expect to be lauded for everything that we do, but I do say that we have found it not only tiresome, but worrying that there is a Constituency of Darkness which appears to be intent on undermining, not us, because I know that is what they are trying to do (and that is fine, that is legitimate), but undermining this country. And that Constituency of Darkness is led by *CaymanNetNews*. There is no question about it.

One of the amazing things about this, Madam Speaker . . . and they talk about divisiveness and they

wonder why Caymanians feel the way they do. The tone of much that is written is characterised with such a disrespect, such disdain, such complete disregard for Caymanians and Caymanian ways and Caymanian values, Caymanian principles . . . the only thing that is important is M-O-N-E-Y.

There are some who, when you mention this to them, laugh and say '*But those headlines sell newspapers.*' Well, I suppose that is important to those who own the newspapers, but I always thought that journalism was one of the third estate, as they used to say, one of the honourable professions. I suppose one should distinguish, for the purposes of this kind of discussion, tabloids from proper newspapers. And perhaps that is the mistake that we keep making, we keep categorising *CaymanNetNews* as a newspaper, when in fact it is a tabloid.

Madam Speaker, it is very worrying. And it is not worrying just to me, I have met many Caymanians who say they no longer buy the paper because it is just filled with negativity.

You know, Madam Speaker, this is not said in bitterness or anger. It is said in resignation actually, because I do not think it will ever change because this Government is not going to be susceptible to improper influence from media houses. I am just sorry . . . so, the beat goes on. And the beat will go on.

Despite all of that, and that too will pass, the reality of the Cayman situation is a million miles away from the doom and gloom of the Constituency of Darkness. The economy is doing well.

I have just been handed a copy of *Cayman Observer* again, 21 December 2006/2007. The headline says "Real Estate Income Doubles." Now, Madam Speaker, there is a little irony in that as well. And featured on the front page is my good friend, J. C. Calhoun (and I mean that in the best sense of the word).

But when this Government took certain steps to increase stamp duty (not to pre-Ivan rates, but to increase it) and to lower it for Caymanians, CIREBA kicked up a big fuss, wrote a very strident letter to the Government, published it in the media—again saying this is all doom and gloom, this is going to be the end of the real estate resurgence in Cayman, that it is going to increase divisiveness because Caymanians are being given a preferential rate in relation to stamp duty . . . Madam Speaker, I cite that to say this: This must be the most remarkable country in the world where somehow it is a terrible thing to discriminate in favour of your nationals. It is a terrible thing to give your own people a leg up; to give them a chance to own a little piece of this rock—which is increasingly out of the reach of the average Caymanian.

What is fundamentally wrong with that?

The reason I raise that in the context of this debate is that it is that kind of discussion; it is that kind of issue that is at the heart of the opposition to the rollover policy. But it is also that sort of issue which is near and dear to people in Cayman who have historical connections to this place.

Madam Speaker, increasingly the people who come here from somewhere else are unlike those who came before. The first wave of immigrants over the past 40 years who paid attention to local issues, who had legitimate concerns about the people and the way forward, who understood that they could make a very good living in Cayman—many became millionaires, many still are—but there was also a requirement, an obligation, there was also a need to give the local people a leg up, an opportunity.

They valued the Cayman environment. And I do not mean that in the sense of the marine environment or the natural environment alone. I mean that they marveled at what this place had in terms of attitude, in terms of the disposition of its people, in terms of the ambition and the drive of the people, our commitment to family values, to Christian values, to just respect and love other people. But increasingly, that seems to matter not. And the only thing that matters is the filthy lucre.

And so, when I said before, and say at every possible opportunity, that this debate (and I do not mean the one in this honourable House alone) this broader debate is about much more fundamental issues than whether people get rolled out of the system or not, it is the last opportunity that this country has for the people who have historical connections to this land to make the critically important decisions about the future of this country. There is no doubt whatsoever that if the control of this country vested in those who did not have historical connections, the future of this country would be very different. I can tell you my two children and their generation will suck salt because increasingly . . . and generalisations are dangerous and damaging. I understand that, Madam Speaker. But it is difficult to do other than to say that I appreciate that not every person who comes here falls into the category that I have described. But increasingly, that is the attitude that I see, I feel, I hear.

So, when I say Caymanians are increasingly resentful of foreigners, I know what I am saying. The Second Elected Member for West Bay would perhaps like me to be a bit more disingenuous and not acknowledge that. But that is not me. I did not get here by being disingenuous.

Madam Speaker, there is a carrying capacity for any entity regardless of what it is. That is true of a place, even more so of a place as small as Cayman.

Madam Speaker, what most people who keep insisting that the rollover policy cannot work, that it is a flawed policy . . . it is not perfect. There are going to be casualties. There are going to be problems. There are problems with it! None of us have held this out as being the ideal situation. But no one—no one, not one person—has been able to point to some other way to address the fundamental concern that if there is not something like the rollover policy, in very short order those persons with no historical connection to this little place will overwhelm those who do.

But, of course, the *Cayman NetNews* and the authors of all of those articles—all of whom come from somewhere else, who have no historical connection here—that is the common thread that links most of the opposition to the rollover policy. Despite the fact that many of them have lived here for many years, they have never, ever, integrated; they do not understand what is at the heart of most Caymanians who are not the most forthcoming people about such matters.

Madam Speaker, I said before, and I say again, on our shift we are not prepared to concede that the political control of this country will vest in people who do not have a historical connection to this place. That does not mean they do not share, that does not mean they are not allowed to come. But if we do not have something like the rollover policy, if we continue down the road that every one of those 24,000 people who are on work permits are entitled in the long run to the right to be Caymanian, in a very short time—as short as five years—the political control will vest in that demographic group.

That is just the reality of the numbers. There are 24,000 people on work permits. There are 52,000 persons and that includes, Madam Speaker, all of those who have been granted the right to be Caymanian over the course of the last 10/15 years—a not insignificant number of which were granted it by the last Cabinet in 2003, about 3,000 people.

Those are the realities with which we deal.

Madam Speaker, *Cayman NetNews*, again! There is an editorial in one of the papers which I read, entitled something like this: “Rollover [is] no substitute for a [top] class education.” The editorial goes on to bemoan the fact that we do not have a world class education system and that it is time to stop talking about it and do something about it. If I did not know that the author of that editorial was Barry Randall who lives in Miami, I would say to myself ‘*Where has Mr. Desmond Seales been living?*’ because if anyone within the precincts of these three islands is not aware that there is a massive undertaking underway to transform the education system of these islands, they must be sleeping.

But I guess Barry Randall does not . . . he is not interested in the Cayman news, he is only interested in writing articles and editorials which go to undermine these islands because he has a huge beef with our judicial system and the way he was treated.

There may be some merit in that. But the broader listening public needs to understand that much of the drivel that is contained in these editorials is not generated locally. That is why they get fundamental things wrong, like not realising that despite the fact we had told them—I had told them—that the European Convention on Human Rights and the right to petition the European Court had actually been extended to the Cayman Islands at the request of this Government, they write a long editorial claiming that is not the case. But that is the disconnect.

You know, Madam Speaker, it is taking me a long time to reach this point where I am actually taking *Cayman NetNews* on about these things, but they have been engaged in a campaign for the past year to undermine virtually every effort this Government makes to advance anything, whether it is human rights—and so, when Gordon Barlow finally quits the Human Rights Committee, he goes and becomes commentator on Human Rights and everything else for their paper so that they can continue to lambaste the Government. Fine! They are entitled to do that!

But I have reached the point now where such as I know, I am going to say because it goes to the credibility or otherwise of that newspaper. I guess I will not be featured on the front page anymore, except when they can find the most awful picture. Fine! So be it! I am going to do what I believe is right, *Cayman NetNews* notwithstanding.

Madam Speaker, this is not a picture of doom and gloom. The rollover policy is here to stay, certainly as long as we are in Government. We acknowledge these amendments that are before the House are an indication that we acknowledged that the system is not perfect, that there are things that need to be done about it.

There will no doubt, as these amendments take effect, be occasions when we come to realise that something else needs to be amended, something else needs to be adjusted. And we will do that, Madam Speaker.

We also acknowledge that in some cases the boards are not as effective and as productive as any of us would like them to be. There have been delays. There have been issues. We are doing our best to work through them. Such changes that are needed to be made, some have been made, others will be made.

We understand, Madam Speaker, far better than most people give us credit for, how critically important it is for the continued success of Cayman and this economy that those who need quality labour are able to access it and retain it. And the challenge has been, and the challenge will continue to be, to balance that against two issues: the issue of controlling the number of people who ultimately become part of the permanent population of these Islands; and the need to ensure that Caymanians have every opportunity to avail themselves of the tremendous prospects which these Islands hold.

The Leader of the Opposition, who is absent . . . I really wish he would stay and listen to some advice sometimes. That is why despite his complaints about us proposing to spend \$320 million over the next three years on capital improvements, that is why this Government is committed to building new schools; to ensuring that we have the adequate infrastructure to support business; that is why the Minister for Communication and Works is working night and day and harassing the rest of us to get the resources to improve the road system. Because it is about quality of life.

Can you imagine, Madam Speaker, if this Government had not taken the decision at the behest of the Minister of Communications and Works to push on with all haste the continuation of the Esterley Tibbetts Highway? Can you imagine what this Christmas and winter season would hold in terms of traffic along the West Bay peninsula?

Those are quality of life issues. And when people like Jerry Miller and Gordon Barlow write their drivel about the Government is spending too much, the Government is inefficient . . . I will tell you what, Madam Speaker, one thing you learn quickly in Government is that Government is responsible for everything that goes wrong. Everything that goes wrong—whether it is the cost of living, or the fact that you cannot get from point A to point B as fast as you would like to on the road. It is the Government who is responsible. But at the same time, those self-same people who complain about that situation, *'Why isn't Government doing something about it?'* complain even more bitterly that the Government is too big, that the Government is spending too much, the Government is borrowing too much, the Government ought to tighten its belt.

That is the reality of being in this position. And we understand that, Madam Speaker, but as I said, this "Constituency of Darkness," I just . . . to tell you the truth, if things are so bad in these Islands—I mean sometimes when I read them I say, *'Lord, where am I living? Is this the same Cayman that I am in?'*

Yes, the cost of living is high.

Yes, poor people have it hard.

We know that!

But is it really as bad as Jerris Miller and The Major and Desmond Seales and (who else now?) Gordon Barlow and Barry Randall claim it is? I do not think so, Madam Speaker. This is still a wonderful little place. Crime was at an all-time high when we took office. We have dealt with that and nobody is suggesting there is not crime anymore, but it certainly does not approach the levels it was when we took office.

I say that, Madam Speaker, to lead into this: the Cayman experience—for those of us who live here, for those of us who were born here, those of us who are coming and want to come—is not just made up of Immigration policy and the fact that you are subject (unless you are a key employee) to rollover at year seven. There are some things that make Cayman a good place to live, work and do business—security, attitude, friendliness of the people, good infrastructure, high quality of living, the environment—there are a range of things.

But if one of them gets seriously out of kilter, it affects quality of life for everybody. Money is the biggest coward in the world! If people think that money is going to flee because of this rollover policy, you know what? You let the social tensions in this country reach the point they have reached in many other places and you will see how fast money runs.

Madam Speaker, I just came back Monday night, late Monday night, from South Africa. Cape Town is the most beautiful city I have ever been in. A magical experience because of their history! It is amazing what they have done in 13 years since the end of apartheid. But I will tell you what: I was one of 35 ministers at a Commonwealth Education Ministers Conference. I even said to the security officers who had been assigned to me—two armed police officers—I said "I really don't need you guys; I am a Minister from a little country 12,000 miles away from here. Who wants to do me anything? I mean, who am I in the big bad world? The only people I'm important to are the people in Cayman. What is all of this about?"

They were very tight lipped about it. But I can tell you, Madam Speaker, I could not leave the hotel without two armed officers in their car. It did not matter where I wanted to go. I felt smothered. That is what happens in places when social tensions, when crime, when issues of access to opportunity become real issues.

What we have been trying to say for years to the broader community and to those who will listen, and even to those like *CaymanNetNews* who will not listen, is because by and large Caymanians do not carry on, do not demonstrate, do not shout their feelings, do not underestimate how strongly Caymanians feel about preserving what we have, about those who come buying into our inherent value system. And this is not about trying to create a homogenous society where everybody just follows whatever the other person does. No! The mix of cultures and nationalities—100-plus nationalities—is a large part of Cayman's success story and is what has given us the flavour we have, the vibrancy that we have, the attractiveness that we have. And long may that continue.

The issue is not about being xenophobes, as Desmond Seales and Barry Randall claim we are every single day in the paper. The issue is about managing the numbers, an acknowledgement that the boat can only hold so many at any given time.

I believe, Madam Speaker (and some people say I am crazy), that ultimately these islands can support a quarter of a million people. But we cannot do it all in 10 years. We cannot do it all in one generation.

In 1970 (and this always sticks with me because it is something I learned when I was in school) when the population of these islands was just over 10,000 people . . . thirty-six years. We have to make haste slowly. And we are not doing it slowly, perhaps as slowly as we need to. But we do need to have some control over the growth of the permanent population base. Otherwise there will be a social disaster.

I really wish that those who oppose the rollover policy would take their blinkers off, would walk among the local people and try to understand, or cast themselves back to where they came from (because the opponents of this are largely from somewhere else) and ask themselves how they would feel if a proportionately large number of immigrants were

foisted upon their native land and they were at risk of losing control—in every sense of that word—of the destiny of their homeland.

Most people are afraid of that kind of introspection because the answers they are going to get are going to make them distinctly uncomfortable and make them question the validity of what they write and say.

Madam Speaker, as I said, we want this Bill, these amendments to go through. We want the dust to settle. We have already set up one meeting, or are trying to set up one meeting with people from the business community who have issues and concerns they want to talk to us about. And that is how we propose to deal with this. The last thing this or any government, I believe, would want is for the business community to continue to be uneasy, to continue to be uncertain; for there to be this belief which is being actively promoted by some of the Constituents of Darkness that the Government is anti-business, that it is anti-foreigner, that it is anti-investment. Thankfully, none of that seems to have taken root.

The economy of these islands, I do not think has ever been better. All of the prospects, the proposals for new construction, for new investment, for new hotels . . . one of our great concerns is whether we can do it all at once. That is always the challenge for any Government seeking to balance these things.

But, as I said, this is a wonderful little place. It has in place a Government that has an overwhelming mandate from the people, and I believe continues to have the confidence of the vast majority of the people, whether in the business community or otherwise. Despite what the Second Elected Member for West Bay might say about me and how the business community fears people like me, at least . . .

I am sorry, Madam Speaker. I did not realise that I was carrying on so, but it seems I have run every Member of the Opposition out of the House! So, I am debating to empty chairs.

Madam Speaker, the Opposition may not regard this as serious or important, but this Government does. This Government is going to continue to do what it has to do to ensure that this legislation gets through over the course of this week.

I have lost my train of thought now. When I was talking about the Oppositions' absence . . .

Yes, Madam Speaker, I was saying that I believe that we continue to have the confidence of the vast majority of the people in this country despite what the Second Elected Member for West Bay has said, because I can promise the Second Elected Member for West Bay, this honourable House and the wider listening public, that no Minister on this side is ever going to say, as he said in one of his debates in 2004, that he was tired of the financial service industry getting away with murder and so they were going to impose significant increases in fees on them. Indeed, it was \$53 million worth!

As I said, I often forgive him because of his youthfulness for these reckless statements, but he ought to remember that my memory is not too bad yet, and that . . .

Yes, Madam Speaker, I would like to welcome back a Member of the Opposition. I am glad I brought them back into the House!

But, Madam Speaker, this Government is committed to developing our people, to giving them every opportunity we possibly can to seize and take advantage of the prospects that Cayman has to offer.

The rollover policy is going to assist in that regard, even though that is not its principal purpose. We have to understand that when people are rolled out of the system an opportunity is presented to Caymanians who have the wherewithal to be promoted to have a chance at a job that had hitherto been held by an expatriate. If there are no Caymanians available to do it at that point then, obviously, others will have to be recruited from abroad. But, Madam Speaker, we have to stay the course. No one has come up with a better solution, a better idea. It has been around in law since 1 January 2004. We are almost at 1 January 2007.

This Government is committed to the policy. As I said, we are happy to work with the business community to do whatever we can to ensure that they continue to have access to adequate quality labour. If changes need to be made, if adjustments, refinements to the legislation are called for, we are prepared to do it. Unlike the Opposition, we are prepared to acknowledge when things do not work and are prepared to take the necessary steps to fix them.

So, Madam Speaker, I want to thank you and this honourable House for the opportunity to make this contribution on this important Bill, and I commend it to all Members of this honourable House.

Thank you, Madam Speaker.

The Speaker: Does any other Member wish to speak? *[pause]* Does any other Member wish to speak? *[pause]* If no other Member wishes to speak, does the honourable Leader of Government Business wish to exercise his right to reply?

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker.

First of all, let me say thanks to all Members who contributed to the debate on the Immigration (Amendment) (No. 2) Bill, 2006, including the Opposition because, certainly, the Opposition in their contributions made a few things absolutely clear.

Madam Speaker, before I summarise where we are at and the way forward with this, I just wish to make a few general comments. It is obvious—especially from the Leader of the Opposition—that either he does not understand what we are about, or he attempted in his debate to camouflage certain facts. Even the Second Elected Member, who unconvincingly debated . . . Madam Speaker, at least it was

obvious he had thought about his debate for some time before he opened his mouth.

You see, Madam Speaker, as my colleague, the Honourable Minister of Education, has just outlined, and I will do my best not to be repetitive. . . this business of the rollover policy was in law as of January 2004. So when we have the hue and cry about the rollover policy, it is not that we are instituting a rollover policy when we come to this Legislative Assembly, it is simply that we have spent the last several months looking at what became law in January 2004 and what effects the law that obtains at present will have, and what negative impacts might occur. We are now coming with the amendments to this law to make the law as practical as possible, understanding and in total agreement with the underpinning principle and policy of the rollover system.

I will not go into the merits and demerits of why we have to have it, because I must tell you that I was listening very keenly to my colleague, the Minister of Education, and my other colleagues who spoke. Every one of them expounded on those principles. I am certain by now that the rationale and reason is absolutely clear, even for those who may not agree.

So, Madam Speaker, when the Leader of the Opposition comes to talk about what my colleague refers to as the “doom and gloom” of the legislation, what he is in effect saying is that he made a huge mistake in December 2003. But he is not saying that! He is saying that was the best thing, and what we are doing now is a huge mistake.

I am telling you, Madam Speaker, he has said, whether he meant to or not . . . the analogy of his statements tells me that he has said we should leave it as it is. That is what he has said.

Now, can you imagine with all of what is going on, and with all of the grab-up against this Government, and here we are trying to make it practical, had we truly left the law that was passed in December 2003 coming into effect January 2004, all of the individuals who will now have opportunity to apply for key employee status, all of those individuals who were afforded the opportunity of a fixed-term work permit, many of the individuals who will now be able to apply for permanent residence because the amendments to the existing law will allow them that privilege when they had lost it following the law that obtains now—all of those things would not have been possible. And the Opposition, the Leader and his deputy, the Second Elected Member [for West Bay], are going to come up and expect to bring logic to the public of this country to say that they are going to vote against it?

Feel free! And look fool as a fly!

Madam Speaker, this is something that is important and we have done everything possible to make it as palatable as possible, as practical as possible, and at the same time retain and preserve the underpinning principle—which is what everyone talks about, the rollover. So, the only thing left for us to do at this point in time is to put the law into practice as

happens with everything else, we are going to monitor it as closely as we can. If there is something that does not work, and we find it does not work, we come back here and we fix it. But we have done our best using the resources that are available to us to their max—the best minds that we could put together—to look at all of the effects in the crystal glass and try to see how to massage it. Hence, these amendments.

Madam Speaker, the Leader of the Opposition especially, preached this is the end. I hope he does not go to church and preach that!

I just want to quote a few statistics that are available to us to simply disprove what he is saying, to show his statements for what they are—unfounded nothingness.

The Speaker: Would you be prepared to lay a copy of that on the Table?

Hon. D. Kurt Tibbetts: Absolutely, Madam Speaker.

The Speaker: Okay, go ahead.

Hon. D. Kurt Tibbetts: Madam Speaker, in real terms GDP for 2004 was \$854.5 million. For 2005 it was \$910 [million]. For 2006 (tracking it to the end of third quarter going into the fourth) conservative projections put it at \$951.9 million.

Employment 2004, the number of people employed, just under 29,000. [In] 2005, just over 35,000. [In] 2006, 36,000.

Unemployment rate: 4.4 in 2004; 3.5 in 2005; 2.6 in 2006.

Total imports, which is a real indicator for the activity in your domestic economy: \$725 million in 2004; \$990 million in 2005 (all the Ivan effects); 2006, understanding and accepting there would have to be a drop, \$910 million.

I will not bother to go into all of the mutual fund licences and insurance licences to show the upward trend, but I just use those figures. My colleagues have also made some other statements accordingly.

Madam Speaker, no one is saying the world is perfect. No one is saying that retaining the principle of the rollover policy makes everything else positive also. What we are saying is that we have gone about it in as practical a manner as possible to make everything else work understanding that the objective of that rollover policy is as my colleague explained just a few minutes before I started to speak.

We [must] accept the responsibility as the Government of ensuring that our own people retain control of our country. Any human being, any conglomerate, any entity who calls that a cardinal sin, Madam Speaker, I am sorry for them because they must go to Hell.

So, it seems to me from all of the debate that I have heard, that the underlying principle surrounding the law of 2004 itself, and the amendments we are bringing forth now, everyone here is in agreement with

it. But none of them have taken the single individual amendments proposed to say what is wrong with them. Not one of them!

For a little while I was very anxious, when the Second Elected Member for West Bay was speaking, because I really thought he was doing all right when all of a sudden he looked over to his right and he realised 'Oh my lord, I can't make this thing look too good because it's going to make someone else look too bad.' So he had to shift on it.

[Inaudible interjections]

Hon. D. Kurt Tibbetts: Madam Speaker, I want to see . . . not trying to corner them. And it is not about the numbers, and I am going to feel any different whether they vote for it or not. But I am simply saying that they have not come forth with any argument to say why any of the amendments we are bringing forth should not be made into law. They have simply come with generalisations.

The Leader of the Opposition, speaking doom and gloom and saying nothing about the Bill, you know—not even one thing about the Bill. But, as is his usual style, if he does not create his stage, if he does not create where he can holler, he is ordinary Joe Blow and nobody pays him any mind. So that is how he had to do it. And we understand that. That is fine. That is expected.

Now, the Second Elected Member for West Bay, who spoke to a few provisions . . . and one of the things he spoke about he obviously had not listened to my opening, although I only gave it as a passing comment. With your permission, Madam Speaker, I will just quickly explain to him, because he obviously wants to understand. It might change his mind with the vote.

The Second Elected Member for West Bay spoke to all of the additional resources that are going to be needed. He went on to speak about when are we going to get to the point where most of these things are dealt with in an administrative fashion. Now, Madam Speaker, I am not suggesting that what we have done is going to totally satisfy his utopia that he sought. But, I can tell him that when I spoke on Monday, and when he spoke on Monday, I knew (because I was privy to my Cabinet papers for Tuesday) that there was a paper to Cabinet on Tuesday and I had given public utterance of this a few months back that we were awaiting the Chief Immigration Officer's reply advising us of what resources were going to be needed once we made all of these amendments in order for the department to function in an efficient manner. And he has come back to us.

The Honourable Chief Secretary brought the paper to Cabinet, and Cabinet approved some \$950,000 which will have to come as supplementary expenditure, but absolutely needed to deal with all of the required additional resources; resources to the tune (and justifiably so) of 38 new bodies within the

department spread over managerial, administrative and otherwise. Twelve of those bodies . . . people, I am told (that is just the way I term it) . . . but 12 of those individuals are going to be dedicated to enforcement because we are not going to make all of these amendments to the law and not be able to monitor, enforce, and ensure that what is law prevails and obtains.

All of these things are going to be done. There is going to be training, which I do not want to say is already taking place because I would not want to presume that the Chief Immigration Officer is presumptuous enough to begin training before it becomes law. But I know he has it all arranged. All of his staff are going to be going through the necessary training and within this fiscal year the Immigration Department is going to be organised in such a fashion that all of the various arms will be able to function properly.

So, I hope the Second Elected Member for West Bay is satisfied with that action.

Mr. Rolston M. Anglin: I admit that, but — *[inaudible]*

Hon. D. Kurt Tibbetts: Madam Speaker, there is also the matter of the Immigration Amendment (No. 5) Regulations, 2006, which my colleague, the Minister for Communication, Works and Infrastructure, also spoke to. One of the situations that has to occur is we will have to allow safe passage of this Bill before we are able to return to the Legislative Assembly . . . and I hope the Second Elected Member for West Bay is listening carefully, because I would very much like for him to inform his colleagues of what has to occur as per our discussion.

And, Madam Speaker, do not mind my using this moment to clear that up so that we can understand. I am referring to these regulations because we do not wish to have the law without the regulations or the amending regulations. Once we are able to get the law assented to by His Excellency the Governor, then we will return to the Legislative Assembly to lay the regulations because they are going to have to remain for 21 days for negative resolution.

Our plan, Madam Speaker, is to do that tomorrow afternoon. Once we see the Third Reading of the Bill completed this evening we are going to hope that we can get through all of the necessary hurdles to get it assented to by tomorrow so that we can resume tomorrow afternoon, at which point in time we will lay the regulations, complete the order of business on the Order Paper, which includes the two other Bills, and if there are any more questions to be answered, certainly we will answer them.

Madam Speaker, I believe this Bill certainly does not require any more debate. I believe all of the key points have been hashed out. We cannot claim that every single soul is in agreement with every single amendment.

I want to say a very special thank you to (and I will not call their names again) all of those individuals who have spent tremendous hours sweating through this process to get it as right as we could. Not only to commend the Bill, but also to commend my colleagues who have all stayed with the process from the very beginning. Certainly, I know that once we can see it become law and (as my colleague, the Minister for Education, says) “when the dust has settled” we will know and we will prove by time that we have done the right thing.

Madam Speaker, I commend the Bill to the honourable House and I hope that those Members of the Opposition who are present will see the wisdom in supporting the Bill in order for us to seem to be unanimous, at least, in this regard.

Thank you.

The Speaker: The question is that a Bill shortly entitled The Immigration (Amendment)(No.2) Bill, 2006, be given a second reading. All those in favour please say Aye. Those against, No.

Ayes and 1 audible No.

The Speaker: The Ayes have it.
Honourable Leader of Government Business?

Hon. D. Kurt Tibbetts: Madam Speaker, can we have a division for the record please?

The Speaker: Madam Clerk.

[inaudible interjections and laughter]

The Speaker: Could we listen to the Clerk please?

The Clerk:
Division No. 6 /06-07

Ayes: 10
Hon. D. Kurt Tibbetts
Hon. Alden M. McLaughlin, Jr.
Hon. Anthony S. Eden
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

Noes: 1
Mr. Rolston M. Anglin

Abstain: 1
Capt. A. Eugene Ebanks:

The Clerk: Ten Ayes, one No, one Abstention.

The Speaker: The result of the division: the Ayes have it. The Immigration—

[inaudible interjections]

The Speaker: Is it the Speaker talking or is it someone else?

The Immigration (Amendment) (No.2) Bill, 2006, has been given a second reading.

Agreed by Majority: The Immigration (Amendment) (No.2) Bill, 2006, given a second reading.

The Speaker: The House will now go into Committee.

House in Committee at 5.59 pm

COMMITTEE ON BILLS

The Chairman: Please be seated.

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

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

The Immigration (Amendment) (No.2) Bill, 2006

Clauses 1 and 2

The Clerk:
Clause 1 Short title.
Clause 2 Amendment of section 2 of the Immigration Law (2006 Revision) – definitions.

The Chairman: The question is that clauses 1 and 2 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 1 and 2 passed.

Clause 3

The Clerk: Clause 3 Amendment of section 4 – Immigration Boards.

The Chairman: I recognise the Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you, Madam Chairman.

In accordance with the provisions of Standing Order 52(1) and (2), I wish to give notice to move the following amendment to the Immigration (Amendment)(No. 2) Bill, 2006, that the Bill be amended as follows: by deleting clause 3 and substituting the following clause:

3. The principal Law is amended as follows:

- (a) in subsection (2)-
- i. by adding after the words “the Governor” the words “save for those persons referred to in paragraphs (e) to (i) who shall be public officers and shall hold office by virtue of their public service appointment”; and
 - ii. by deleting the word “Services” in paragraph (g) and substituting the word “Relations”;
- (b) in subsection (3) by adding after the words “the Governor” the words “save for those persons referred to in paragraphs (e) to (j) who shall be public officers and shall hold office by virtue of their public service appointment”; and
- (c) in subsection (4) –
- i. by adding after the words “the Governor” the words “save for those persons referred to in paragraphs (e) to (j) who shall be public officers and shall hold office by virtue of their public service appointment”; and
 - ii. by adding after the word “Director” in paragraph (e) the words “of Employment Relations.

The Chairman: The question is that clause 3 as amended stand part of the Bill. All those in favour please say Aye. Those against, No.

Ayes.

Agreed: Clause 3 as amended passed.

Clauses 4 through 10

The Clerk:

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| Clause 4 | Amendment of section 5 – Cayman Brac and Little Cayman Immigration Board. |
| Clause 5 | Amendment of section 6 – appointment and functions of committees. |
| Clause 6 | Amendment of section 7 – appointment of Immigration Boards and Administrator; and functions of Boards. |
| Clause 7 | Amendment of section 10 – remuneration and immunity of members of Boards. |
| Clause 8 | Amendment of section 11 – Immigration Appeals Tribunal. |
| Clause 9 | Amendment of section 14 – appeals from decisions of immigration officers. |
| Clause 10 | Amendment of section 15 – appeals from decisions of Boards. |

The Chairman: The question is that clauses 4 through 10 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 10 passed.

Clauses 11 through 18

The Clerk:

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| Clause 11 | Repeal and substitution of section 16 – conduct of appeals. |
| Clause 12 | Amendment of section 17 – orders of Immigration Appeals Tribunal and appeals from its decisions. |
| Clause 13 | Amendment of section 20 – categories of Caymanians. |
| Clause 14 | Amendment of section 21 – Caymanian as of right. |
| Clause 15 | Amendment of section 22 – acquisition of the right to be Caymanian by grant of Board. |
| Clause 16 | Insertion of section 22A – persons who may apply to the Chief Immigration Officer for the right to be Caymanian. |
| Clause 17 | Amendment of section 23 – matters for Board’s consideration. |
| Clause 18 | Repeal and substitution of sections 26 and 27 – loss of right to be Caymanian; revocation on conviction. |

The Chairman: The question is that clauses 11 through 18 form part of the Bill. All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clauses 11 through 18 passed.

Clauses 19 through 24

The Clerk:

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| Clause 19 | Amendment of section 28 – categories of permanent residence. |
| Clause 20 | Amendment of section 29 – persons legally and ordinarily resident in the Islands for at least eight years. |
| Clause 21 | Repeal and substitution of section 30 – Residency and Employment Rights Certificate for spouse of a Caymanian. |
| Clause 22 | Repeal and substitution of section 33 – Residential Certificate for Retirees. |

Clause 23 Repeal and substitution of section 34 – Revocation of Residential Certificate for Retirees.

Clause 24 Repeal and substitution of sections 35 and 36 – Residential Certificate for Entrepreneurs and Investors; Revocation of Residential Certificate for Entrepreneurs and Investors.

The Chairman: The question is that clauses 19 through 24 form part of the Bill. All those in favour please say Aye. Those against, No.

Ayes.

Agreed: Clauses 19 through 24 passed.

Clauses 25 through 29

The Clerk:

Clause 25 Repeal of section 37 and substitution of sections 37 and 37A – general provisions relating to loss of permanent residency; and qualification for legal and ordinary residence.

Clause 26 Amendment of section 39 – who may be gainfully employed.

Clause 27 Repeal and substitution of section 40 – application for work permit.

Clause 28 Repeal and substitution of section 41 – applications of section to the Cayman Brac and Little Cayman Immigration Board.

Clause 29 Repeal and substitution of section 42 – consideration of application for work permit by Board.

The Chairman: The question is that clauses 25 through 29 form part of the Bill. All those in favour please say Aye. Those against, No.

Ayes.

Agreed: Clauses 25 through 29 passed.

Clause 30

The Clerk: Clause 30 Repeal and substitution of section 43 Business Staffing Plans.

The Chairman: I recognise the Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Madam Chair, do I have to go over the Standing Order again, or can I just continue?

Thank you.

Madam Chair, [clause 30 is amended] by deleting the words “31 December 2006” in section 43(1) and substituting the words “31 March 2007.”

The Chairman: The amendment has been duly moved. Does any Member wish to speak thereto? *[pause]*

If no Member wishes to speak, 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 stands part of the clause.

Agreed: Amendment to Clause 30 passed.

The Chairman: The question is that clause 30, 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 30, as amended, passed.

Clauses 31 and 32

The Clerk:

Clause 31 Amendment of section 44 – responsibility of the Board in processing applications for professional employees.

Clause 32 Amendment of section 46 – grant or refusal of work permit.

The Chairman: The question is that clauses 31 and 32 form part of the Bill. All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clauses 31 and 32 passed.

Clause 33

The Clerk: Clause 33 Repeal and substitution of section 47– exempted employees.

The Chairman: I recognise the Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

The amendment proposed in clause 33, Madam Chair, is by deleting section 47(1) and substituting the following:

47(1) An employer may make an application pursuant to subsection (4) to the Board to nominate a worker as a key employee either on the grant or in the case of an existing worker, at any time prior to the expiration of-

- (a) his final work permit as prescribed under section 50(1) or (4); or
 (b) his fixed term work permit,
 but where the worker's fixed term work permit has expired or will expire between 1 December, 2006 and 15 January, 2007, application may be made during this period to have the worker designated a key employee and such worker may continue to work on the same terms and conditions of his fixed term work permit unless and until the Board denies the application under subsection (4).

The Chairman: The amendment has been duly moved. Does any Member wish to speak thereto? *[pause]* If no Member wishes to speak, the question is that clauses 33 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: Clauses 33 as amended passed.

Clause 34

The Clerk: Clause 34 Repeal and substitution of section 50 – term limits.

The Chairman: I recognise the Honourable leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you, Madam Chair.

The proposed committee stage amendment in clause 34 is by inserting in section 50 (8) after the words "subsection (6) or (7)" the words "or section 47(1)."

The Chairman: The amendment has been duly moved. Does any Member wish to speak thereto? *[pause]* If no Member wishes to speak, 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 stands part of the clause.

Agreed: Amendment to clause 34 passed.

The Chairman: The question is that clauses 34, 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: Clauses 34, as amended, passed.

Clauses 35 through 40

The Clerk:

- Clause 35 Amendment of section 51 – temporary work permits.
 Clause 36 Amendment of section 52 – business visitors' permits.
 Clause 37 Amendment of section 53 – work permit fees.
 Clause 38 Amendment of section 54 – offence to engage in gainful occupation or to employ persons in contravention of this Part.
 Clause 39 Amendment of section 57 – inward passenger and crew manifests.
 Clause 40 Amendment of section 61 – Governor may issue entry permit.

The Chairman: The question is that clauses 35 through 40 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 40 passed.

Clauses 41 through 45

The Clerk: Clause 41 Amendment of section 65 – entry by persons other than Caymanians or persons legally and ordinarily resident.

- Clause 42 Insertion of section 66A – provisions relating to sponsors.
 Clause 43 Amendment of section 68 – disembarkation and embarkation cards.
 Clause 44 Amendment of section 70 – duty of master with respect to removal of person landing unlawfully where permission to land is refused.
 Clause 45 Insertion of sections 70A and 70B – removal of certain persons unlawfully in the Islands, escorts for persons removed from the Islands under directions.

The Chairman: The question is that clauses 41 through 45 form part of the Bill. All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clauses 41 through 45 passed.

Clauses 46 through 48

The Clerk: Clause 46 Amendment of section 73 – offences relation to illegal landing and powers of arrest.

Clause 47 Amendment of section 75 – application of other laws.

Clause 48 Amendment of section 76 – establishment of stop list.

The Chairman: The question is that clauses 46 through 48 form part of the Bill. All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clauses 46 through 48 passed.

Clause 49

The Clerk: Clause 49 Amendment of section 78 – student visas.

The Chairman: I recognise the Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Madam Chair, in clause 49, we are seeking to insert after the word “shall” in section 78(10) the words “with the express permission of the Chief Immigration Officer.”

The Chairman: The amendment has been duly moved. Does any Member wish to speak thereto? [pause] If no Member wishes to speak, 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 stands part of the clause.

Agreed: Amendment to clause 49 passed.

The Chairman: The question is that clause 49, as amended, form part of the Bill. All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clauses 49, as amended, passed.

Clauses 50 through 57

The Clerk: Clause 50 Amendment of section 79 – application for asylum.

Clause 51 Amendment of section 80 – limitations on rights of appeal under section 79.

Clause 52 Insertion of section 80A – helping asylum-seeker to enter the Islands.

Clause 53 Amendment of section 82 – report preliminary to deportation order.

Clause 54 Insertion of sections 98A to 98E – miscellaneous provisions.

Clause 55 Amendment of section 100 – offence to enter marriage of convenience.

Clause 56 Amendment of section 102 – evidence in proceedings taken under, or in connection with, Law.

Clause 57 Repeal and substitution of section 103 – transitional provisions.

The Chairman: The question is that clauses 50 through 57 stand part of the Bill. All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clauses 50 through 57 passed.

The Clerk: A Bill for a Law to amend the Immigration Law (2006 Revision) to introduce new concepts and to redefine existing ones; to widen the powers of the Chief Immigration Officer; to vary the composition of the Boards; 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 the business in Committee. The question now 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. The Bill will accordingly be reported to the House. The House will now resume.

Agreed: Committee to report Bills to the House.

House resumed at 6.18 pm

The Speaker: Please be seated. Proceedings are resumed.

REPORT ON BILL

The Immigration (Amendment) (No.2) Bill, 2006

The Clerk: Report on The Immigration (Amendment) (No.2) Bill, 2006.

The Speaker: I recognise the Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker.

I have to report that a Bill entitled The Immigration (Amendment) (No.2) Bill, 2006, has been considered by 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, 2006

The Clerk: Third Reading of The Immigration (Amendment) (No.2) Bill, 2006.

The Speaker: I recognise the Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker.

I move the Third Reading of the Immigration (Amendment) (No. 2) Bill, 2006.

The Speaker: The question is that a Bill shortly entitled Immigration (Amendment) (No. 2) Bill, 2006, be given a third reading and passed.

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

Ayes and 1 audible No.

The Speaker: The Ayes have it. The Immigration (Amendment) (No. 2) Bill, 2006, has been read a third time and is passed.

Agreed: The Immigration (Amendment) (No. 2) Bill, 2006, given a third reading and passed.

The Speaker: We will now take the question that was deferred this morning, standing in the name of the Second Elected Member for the District of West Bay.

QUESTIONS TO HONOURABLE MINISTERS/MEMBERS OF THE CABINET

(Recommitted)

Question No. 28

No. 28: Mr. Rolston M. Anglin asked the Honourable Third Official Member responsible for the Portfolio of Finance and Economics are there any properties owned in the name of the Financial Secretary on behalf of the Government? If so, what are the locations, the year of acquisition, the reason for acquisition and the future plans for such property?

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: The details of properties that are specified below pertain to those properties vested in the name of the Financial Secretary—these properties are distinct from those properties that are registered in the name of the Crown.

Property which vests in the Financial Secretary is as a result of a company being struck off the Companies Register. By virtue of section 181 of the Companies Law (2004 Revision) any assets of a company struck off the Companies Register automatically vests in the Financial Secretary. There is not usually any disposal or long-term plans made for the use of such property by the Government until 10 years have elapsed from the date of the company being struck off the Companies Register.

There are 24 properties vested in the name of the Financial Secretary that were previously owned by companies that were struck off the Companies Register. Details of these properties are as follows: Madam Speaker, the relevant captions that pertain to the properties are the Registration Section, the Block, the Parcel and year it is vested in the Financial Secretary.

Registration Section	Block	Parcel	Year Vested in Financial Secretary
West Bay Beach North	10E	17	1990
West Bay North East	16A	13	1979
West Bay North East	16A	14	1979
George Town East	20E	3	No year stated
Lower Valley	32B	113	1986
Lower Valley	38B	250	1978
Lower Valley	38B	254	1978
Lower Valley	38B	295	1978
Lower Valley	38B	340	1979
Lower Valley	38E	32	1978
Lower Valley	38E	39	1978
West Bay North West	3D	19	No year stated
North Side	57E	214	1981
North Side	57E	215	1981
North Side	57E	216	1981
North Side	57E	217	1981
North Side	57E	219	1981
Midland East	59A	202	1986
Midland East	59A	203	1986

Registration Section	Block	Parcel	Year Vested in Financial Secretary
Midland East	59A	204	1986
Midland East	59A	205	1986
Midland East	59A	206	1986
Midland East	59A	262	1986
Little Cayman East	89A	18	No year stated

There are no definitive, existing plans in respect of the possible use of these properties by the Government.

The Speaker: Are there any supplementaries?
 Second Elected Member for the district of West Bay.

Supplementaries

Mr. Rolston M. Anglin: Thank you.
 Madam Speaker, I wonder if the Honourable Third Official Member would have at his disposal any other details surrounding these properties, for example, things like the size of any of these parcels, and any sort of street locations as to exactly where these are.

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you.
 Madam Speaker, just bear with me a second please. Yes, I do have some information on hand in respect of particularly the size of the various parcels. If the honourable Member wanted to specifically ask on a particular parcel, perhaps I could answer that specific question rather than give the sizes, for example, of the entire 24 pieces of property stated in the answer.

The Speaker: Second Elected Member for the district of West Bay.

Mr. Rolston M. Anglin: Thank you.
 I think those could be provided more suitably in writing, but would the Honourable Third Official Member say whether or not any of these properties actually have any residences on them, any structures that are inhabited or that are habitable?

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you.
 Madam Speaker, the particular property, West Bay, Northwest, Block 3D Parcel 19, has I think two buildings on that piece of property. The buildings are vacant at the moment.

The Speaker: Are there any further supplementaries?
 Second Elected Member for West Bay.

Mr. Rolston M. Anglin: Thank you.
 Madam Speaker, would the Honourable . . . I note that he said in his reply that the buildings on

West Bay Northwest 3D/19 are currently unoccupied. Would he say whether or not they have always been occupied since being acquired in the name of the Financial Secretary?

The Speaker: Honourable Third Official Member.

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

I also forgot to mention in the answer that this particular property is .9 of an acre. To answer the most recent question, Madam Speaker, the buildings were at some earlier stage occupied, and perhaps illegally so, until it was brought to the attention of the Government. The Government issued a licence in respect of some persons occupying the buildings. Those licences have now come to an end and there should not be any occupation of those buildings at this point in time.

The Speaker: Second Elected Member for the district of West Bay.

Mr. Rolston M. Anglin: Thank you, Madam Speaker.
 Would the Honourable Third Official Member inform the House whether or not there are any mechanisms under the Companies Law or any other legislation that would allow for these properties to actually become Crown properties?

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Speaker.
 The provisions of the Companies Law state that once a company is struck off the register, the property that was owned by that company automatically vests in the name of the Financial Secretary.

From that point onwards up to a duration of two years (from that point onwards of being struck off), the company has an opportunity to apply for reinstatement. If it goes beyond the two years, for example if three years later after being struck off it still wishes to be reinstated, then it can make an application to the courts to be reinstated. But in respect of all those applications after the two year period has elapsed, the Governor in Cabinet would have to be consulted and would have to grant permission for that reinstatement application to proceed on in the courts.

So, Madam Speaker, yes, there is a provision. If it goes beyond 10 years, which most of these properties are—most of these are beyond 10 years after being struck off—it becomes exceedingly more difficult for the properties to be reinstated to the companies struck off.

The Speaker: I will allow one further supplementary.
 Second Elected Member for the district of West Bay.

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

I just have . . . I do need a clarification on the last response because I did ask whether or not there was a mechanism that would allow these properties to go from being in the name of the Financial Secretary to the Crown. I do not think the Honourable Third Official Member actually answered that part of the question.

The Speaker: Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Speaker. Yes, the honourable Member is correct. I forgot to specifically address that.

Madam Speaker, there is not a tremendous difference between a property that is over 10 years old (having been struck off for over 10 years and the properties vest in the Financial Secretary) . . . there is not a tremendous difference between that situation and the property vesting in the name of the Crown.

It is certainly quite possible for such companies having been established and vested in the name of the Financial Secretary, it is quite possible for those, for example these 24 properties here, to subsequently move from being stated in the Land Registry details as being properties in the name of the Financial Secretary, it is quite possible for those 24 to now be essentially put in the name of the Crown.

But from our perspective there is no material and substantial difference between the . . . there is no real difference between the properties in the name of the Financial Secretary and the properties in the name of the Crown. It is essentially an administration process of re-categorising the properties from one to that other.

Thank you.

The Speaker: Second Elected Member I will allow you one further supplementary.

Mr. Rolston M. Anglin: I thank you, Madam Speaker.

While I understand the fine line that the Honourable Third Official Member has pointed out that exists, though, I would tend to believe that having properties that are in effect belonging to the Crown, to be in the name of the Crown. While it sounds like a small, technical point, I wonder if the Government has any intention of regularising these properties, in particular the one that has (as the House has been told) the structures on it, regularising what the use of those would be, and how the use of those would actually come about. As was alluded to by the Honourable Third Official Member, for a period of time these were indeed used illegally. I do not think that it would be a situation that . . . or I know it is not a situation that the Honourable Leader of Government Business would want to happen under his watch.

The Speaker: I recognise the Honourable Leader of Government Business.

ADJOURNMENT

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, just so that everyone will be quite aware, the remainder of the business on the Order Paper, namely the Judicature Bill and the Marine Conservation (Amendment) Bill, will be dealt with tomorrow.

Having seen safe passage, we have the Regulations to table, but the Regulations cannot be tabled, as I understand it, until the Bill is assented to. So we will get the Bill assented to tomorrow, and we will resume, Madam Speaker, at 2 pm. It should not take us long.

Having explained that, to everyone, I move the adjournment of this honourable Legislative Assembly until tomorrow at 2 pm.

The Speaker: The question is that this honourable House do now adjourn until 2 pm tomorrow. All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. The House stands adjourned until 2 pm tomorrow.

At 6.34 pm the House stood adjourned until 2 pm Thursday, 21 December 2006.

OFFICIAL HANSARD REPORT
THURSDAY
21 DECEMBER 2006
2.43 PM
Tenth Sitting

[Deputy Speaker, Mr. Cline A. Glidden, Jr., in the Chair]

The Deputy Speaker: I will invite the Honourable Minister responsible for Education, Training, Employment, Youth, Sports and Culture to grace us with 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 Deputy Speaker: Please be seated. Proceedings are resumed.

Proceedings resumed at 2.45 pm

READINGS BY THE HONOURABLE SPEAKER OF MESSAGES AND AN- NOUNCEMENTS

Apologies

The Deputy Speaker: I have received apologies from the Honourable Speaker for absence today.

Condolences

I also would like at this time on behalf of all honourable Members to extend our deepest sympathies to one of the members of staff here, Ms. Kathleen Watson, who lost her son and nephew last night under tragic circumstances. Since she is a loyal and dedicated staff member of the Legislative Assembly I think it would be fitting that we all stand in a moment of silence in support of her and her family at this difficult time.

[The House rose for a moment of silence]

The Deputy Speaker: Please be seated.

PRESENTATION OF PAPERS AND OF REPORTS

The Immigration (Amendment) (No. 5) Regulations, 2006

The Deputy Speaker: The Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you,

Mr. Speaker, I rise to lay on the Table of this honourable House the Immigration (Amendment) (No. 5) Regulations, 2006.

The Deputy Speaker: So ordered.

Would the Honourable Leader wish to speak thereto?

Hon. D. Kurt Tibbetts: Thank you, Mr. Speaker— Just a few short comments.

Mr. Speaker, all of us will recall that the Immigration (Amendment) (No. 2) Bill, 2006, makes provisions for the Governor in Cabinet to designate workers in certain professions or vocations, or any category thereof as key employees. The authorities to be exercised according to the Bill (which, as I understand it, has been assented to so it has now become law), in accordance with regulations, are subject to negative resolution.

Mr. Speaker, since there has been much debate in the press and elsewhere as to the criteria that will be used by the Governor in Cabinet in designating

these workers as key employees, the Government has decided to table the regulations at an early stage. Everyone will see from the regulations that the criteria for the designation of key employee are as follows:

1. That there is a global shortage of persons in that profession or vocation.
2. Notwithstanding the absence of a global shortage, there is a difficulty in attracting or retaining a particular professional category or sub-category in the Islands, or
3. That there is a desire to attract certain types of businesses to the Islands.

Mr. Speaker, the very strict criteria that I just named out will ensure that employers are able to employ and retain those workers who are needed to ensure the economic prosperity of our Islands; provide our people with sound education and excellent health care while protecting Caymanians in the work place. I would wish to emphasise, Mr. Speaker, that both the Work Permit Board and the Business Staffing Plan Board will continue to deal with applications for key employee status from individual work permit holders and will also play a pivotal role in the processing of applications for persons whose occupations or vocations have been designated as key in accordance with this regulation.

Thank you, sir.

STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF THE CABINET

The Deputy Speaker: I have received no notices of statements from Ministers or Members of the Cabinet.

GOVERNMENT BUSINESS

BILLS

SECOND READINGS

The Judicature (Amendment) Bill, 2006

The Deputy Speaker: The Honourable Second Official Member.

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

Mr. Speaker, I rise to move for a second reading of a Bill entitled the Judicature (Amendment) Bill, 2006.

The Deputy Speaker: The Bill has been duly moved. Does the mover wish to speak thereto?

Hon. Samuel W. Bulgin: Yes, Mr. Speaker. Thank you.

Mr. Speaker, this is a relatively short Bill and the aim of it is to make two amendments to the principal Law. In the first instance, Mr. Speaker, the Bill

seeks to amend section 8 of the principal Law with respect to the disqualification of persons from jury service. Currently, sir, the sections provide that persons convicted before the Grand Court of an indictable offence for which he has not received a free pardon is disqualified from jury service.

The amendment provides that a person will be disqualified if he has been convicted by the Grand Court or a Summary Court of an offence for which he was sentenced to a term of imprisonment and for which he was not pardoned.

Mr. Speaker, just for the benefit of the listening public, if I might, I will explain a little more.

A current arrangement is that where a person has been convicted on indictment and that person has been sentenced to a term of imprisonment or something, he is disqualified automatically from serving as a juror. And, the operative word is convicted on indictment because it may very well be that he is convicted for giving someone a black eye and he is not allowed to serve if he is sent to prison; whereas you have someone who, for example, may be convicted for bringing in a boatload of drugs into the Cayman Islands, but because he is not tried on indictment, even if he is given 10 or 15 years in prison, he is still entitled to serve as a juror. So, that is an anomaly that we are seeking to correct and that is what the Bill is aimed at in this case.

The second amendment, Mr. Speaker, seeks to repeal and substitute section 17 of the principal Law so as to vary the number of peremptory challenges of prospective jurors that may be made by parties to a criminal trial. And, Mr. Speaker, for the benefit of the public and honourable Members of the House as well, a peremptory challenge of a prospective juror is one that can be made without reason given. In other words, if a jury is being impaneled and the accused person or the Crown simply does not like the colour of the shirt that the person is wearing for that day, they can challenge. They do not have to give any reason for it. So, that is what is called a peremptory challenge.

The section, Mr. Speaker, currently allows each party (that is, the Crown and the accused person) a number of peremptory challenges equal to the number of jurors that will constitute a jury after all rights have been exhausted. Again, it simply means that if you have, for example, a murder case being tried and there are 12 jurors, the Crown and the accused person can challenge 12 without assigning any cause for doing so.

What this amendment provides, Mr. Speaker, is that in a trial where just one accused is tried alone, that accused person and prosecutor each have a right to make five such peremptory challenges. However, Mr. Speaker, in cases where several accused persons are tried together, each of those co-accused persons can make five peremptory challenges and the Crown will be allowed five such challenges for each co-accused person.

So, five accused persons, say in the trial of a murder, each can challenge five and the Crown would be able to challenge five in respect of each.

Mr. Speaker, the only other remaining provision of the Bill is clause 4 which contains transitional provisions to the effect that the amendments contained in this Bill will have no effect on a juror who has been duly sworn, or a juror selection process that already started at the time when this new amendment comes into effect.

As I said, Mr. Speaker, it is a relatively short Bill and I would certainly commend it to this House and seek honourable Members' acquiescence and support.

Thank you.

The Deputy Speaker: Does any other Member wish to speak? [pause] Does any other Member wish to speak? [pause]

If no other Member wishes to speak, would the Honourable Second Official Member wish to exercise his right of reply?

Hon. Samuel W. Bulgin: Thank you, Mr. Speaker, and thanks to all honourable Members of this House for their support. Thank you.

The Deputy Speaker: The question is that a Bill shortly entitled The Judicature (Amendment) Bill, 2006, be given a second reading. All those in favour, please say Aye. Those against, No.

Ayes.

The Deputy Speaker: The Ayes have it. The Judicature (Amendment) Bill, 2006, has been given a second reading.

Agreed: The Judicature (Amendment) Bill, 2006, given a second reading.

The Marine Conservation (Amendment) Bill, 2006

The Deputy Speaker; I will call on the Honourable Minister for Tourism.

Hon. Charles E. Clifford: Thank you, Mr. Speaker.

Mr. Speaker, I rise to move the second reading of The Marine Conservation (Amendment) Bill, 2006.

Thank you, Mr. Speaker.

The Deputy Speaker: The Bill has been duly moved. Does the mover wish to speak thereto?

Hon. Charles E. Clifford: Yes, thank you, Mr. Speaker.

Mr. Speaker, The Marine Conservation (Amendment) Bill, 2006, seeks to provide a frame

work for the regulation of watersports activities involving the interaction of divers and snorkellers with marine life. The responsible management of marine resources has long underpinned this particular piece of legislation and this recent amendment takes into consideration present day needs facing the marine environment.

I am sure that honourable Members will be aware of the recent events—both locally and overseas—that have generated significant discussion around this general issue. However, Mr. Speaker, the matter of instituting better controls on these types of activities, particularly at the popular Sandbar and Stingray City locations, has been under consideration for a number of years by a stakeholder group comprising representatives from the watersports industry; the Marine Conservation Board; the Land and Sea Co-operative and the Department of Environment. This group formulated recommendations to better manage activities at the Sandbar and the deep Stingray City sites which have now been incorporated into regulations that are currently under review.

Mr. Speaker, upon closer scrutiny of enabling legislation, The Marine Conservation Law, it has become clear that minor amendments are required in order to accommodate the proposed scope of the draft regulations. So this Bill specifically provides Cabinet with new regulation-making powers by amending section 29 of the principal Law, such that regulations may be made to prohibit or regulate human interaction with marine creatures, and to regulate the use of places or boats for that purpose. In addition, the Bill amends section 5 of the principal Law to make it clear that fisheries officers will be authorised to board vessels and make enquiries in relation to circumstances falling under the new regulations.

Mr. Speaker, Stingray City and the Sandbar are two of our most visited tourist attractions, and it is critical that we put regulations in place that will help us to manage these areas in a way that ensures their viability in the long term. With this goal in mind, the draft regulations, which designate these two areas as wildlife interaction zones under the Marine Parks Regulations, will address three main areas: The first, protection of the [sting]rays is through controlling the way that people interact with them; secondly, protection of the reefs and natural environment in and around the designated zones; and thirdly, the licensing of tourist boats entering these areas.

Among other things, Mr. Speaker, it is proposed that in the wildlife interaction zones no one be permitted to remove a stingray or any other marine life from the water; or to fish or to take any form of marine life by any means. In addition the amount and type of food fed to the rays will be regulated.

Mr. Speaker, it is also proposed to prohibit the anchoring of vessels within the designated zones in water shallower than four feet, and to control the anchoring of vessels such that any part of the boat or anchor is no closer than 20 feet of any reef structure.

Specifically as a human safety measure, it is proposed that scuba diving be prohibited in the shallow waters of the Sandbar site unless special permission is obtained from the Marine Conservation Board. And, Mr. Speaker, the reason for this proposal is simply the danger that is presented by scuba divers operating in very shallow water with boats approaching the Sandbar. Scuba diving will continue as normal at the deep Stingray City site and in areas outside the designated shallow area in the Sandbar zone.

Mr. Speaker, it is also proposed that all tourist boats entering designated wildlife interaction zones be required to have a licence granted by the Marine Conservation Board. It is envisaged that the conditions applied to such a licence will include regulating the number of tourist boats which may access the zones at specified times; regulating the number of passengers that may be carried to any specified area; regulating the mooring or anchoring of the boat and the operation of any of its features within the zones, and requiring the boat to display visible evidence that it is licensed to be in that zone.

The Draft Regulations, Mr. Speaker, also propose to prohibit the feeding of marine life in areas of Cayman waters other than those designated as wildlife interaction zones, but this would obviously exclude, for example, chumming and scenting by fishermen who are line fishing.

Mr. Speaker, the Government has had representation from a cross-section of stakeholders, including visitors to our Islands, articulating concerns related to the welfare of rays, the health of the marine environment, and the degradation in the quality of the experience at the Sandbar and Stingray City sites. In particular, it is clear that in the absence of legislation there is little that can be done to regulate activities at this and other similar locations. Given the importance of these types of areas to our tourism products and our environment, and the extension or quality of life, it is clear that regulations are now required to ensure that our natural environment is preserved and protected not just for us, Mr. Speaker, but for generations to come.

Mr. Speaker, The Marine Conservation (Amendment) Bill, 2006, enables this type of regulations. I commend [the Bill] to this honourable House.

I thank you, Mr. Speaker.

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

The Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: Mr. Speaker, thank you very much.

Mr. Speaker, no doubt the North Sound is an important body of water and a natural resource for this country. No doubt we should examine certain operations.

We agree that clause 2, which amends section 5 of the principal Law . . . we do not have a prob-

lem with that for the Cabinet to prescribe the powers of fisheries officers to enable authorisation of officers to board vessels and make enquires in circumstances other than the circumstances described in section 5 (4) of the Law. We believe that that is reasonable, and in the world that we live in where there is so much going on, obviously boats entering the North Sound coming and going, and, indeed, not just the North Sound but our waters, Mr. Speaker, need to be looked at and some control should be put on it.

I believe, for one thing, that we are not examining are the bigger fishing boats that come within our waters. I remember that when I came to this House 20 odd years ago, we had something like a three-mile limit, and the fishing boats, even those that we found were either Korean or Japanese, but anyway, longliners were fishing on the 12-mile bank and in our waters. I raised the motion—which the Government at the time supported—to get our water limits extended and that was extended to the 12 miles. But now we see boats that we do not really know still within that 12-mile limit. I do not know if it is as often as it used to be; but, certainly, I agree that officers need to have some kind of power to be able to make enquiries at least into what is going on.

When we check clause 3 of this Bill, Mr. Speaker, we have to be very concerned. The North Sound is an integral part of our tourism industry and provides great enjoyment for locals and residents alike. It certainly generates employment for many persons and families, many mom and pop operations in the North Sound. And while I believe that West Bay might have the larger number of vessels as far as using the North Sound for a livelihood, certainly, there are others. We have to be very careful.

I know that the number of boats that use the North Sound from all over the Island has grown tremendously. When my step-father and the late Solie (Solomon), and the late Captain Ertis, and Captain Marvin Ebanks, and Mr. Crosby Ebanks were using the North Sound, and others maybe before their time, there were not very many boats. You could go from North Sound and West Bay Bacadere to Rum Point and you maybe did not see a boat. Today you have to be very careful that you do not get run over! Even worse at night, with the kind of speed boats that we have now.

There should be some kind of regulations. But any changes that are going to be brought about to its use and enjoyment should be brought to this honourable House and be properly debated as to what will happen; what they are going to do.

This Bill does not say that. It gives very wide powers to some body.

Changes to the Law that are passed to empower Cabinet or persons appointed by them to implement regulations which will no doubt affect many persons' livelihood and the economy do not satisfy the democratic process. I think it is a blatant attempt to vest power outside of this honourable House. These

powers mentioned are far too wide. Too much of that happens in this country.

Yes, this is not something new to the Government. It has been around for a long time. But, Mr. Speaker, there are certain things that this honourable House must have a say on otherwise than to come and pass a Bill and then say *'Here you are, you take it and you go do it'* and Members of this honourable House then will see it in the newspaper. I do not think that is the right thing, certainly because this is so important. And, as I said, it is not only West Bayers, but I must bear in mind that they are the majority—it is my constituency, they are my constituents—but there are many other people that are enjoying the North Sound.

Yes, we want to keep it for future generations and we have to do what we can to protect it. We have no problem with that. But to give these wide powers to some body where we as elected Members will not be able to have a say when it goes into effect, I will not support.

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

The Fourth Elected Member for the district of West Bay.

(Time 3:13 pm)

Capt. A. Eugene Ebanks: Thank you, Mr. Speaker.

Just by way of a little background as far as the Sandbar and the Watersports Industry is concerned, I started in the Watersports Industry when I was nine years old, Mr. Speaker, with my father—who is Captain Marvin. In fact, he just turned 90 years old on 27 September; that was 51 years ago! I just turned 60 two days ago!

[Inaudible interjections and laughter]

Capt. A. Eugene Ebanks: Mr. Speaker, I have seen many changes in the Watersports Industry.

When we started, my first memory of . . . we called it a “tourist trip” back then . . . my father did not have a catboat. He could not afford it. He had a canoe but he had a lease arrangement with the late Captain Benson. He had a big catboat. We would take a party of probably four people for the day starting at 9 o'clock until 4 o'clock for US\$25 a day for the entire charter. Back then, that was big money.

Hon. W. McKeeva Bush: Uh-huh!

Capt. A. Eugene Ebanks: Since that time, we have gone through a lot of changes.

Mr. Speaker, when I look at this Bill, it is far too broad. It is empowering a body, or an individual, or whoever it is . . . whoever concocted it, Mr. Speaker, certainly did not have the best interests of the watersports operators in mind. That is very obvious.

In my opinion, Mr. Speaker, this amendment is aimed at the Stingray City and Sandbar, which I have no problem supporting some of it.

Hon. W. McKeeva Bush: Right!

Capt. A. Eugene Ebanks: It is also aimed at the dolphin facilities that are proposed and, last, but not least, we just spent close to \$60 million on Boat-swain's Beach. When you say “interacting with sea creatures” that also includes turtles. So, Mr. Speaker, I do not understand how they are going to be able to justify not being able to handle the stingrays, but they can handle the turtle with this amendment.

Mr. Speaker, Captain Marvin (who is my dad) is one of the original formers of Stingray City. That was about 18 or 20 years ago. Since that time, we have had hundreds of thousands of visitors, if not millions. I tried to get some statistics. I was unable to. But I know that the two big days are Wednesdays and Thursdays. There are sometimes 3,000 to 5,000 people a day that visit just the sandbar. You calculate that over 15, 18, 20 years, and you have got a couple of million people. Yet, we have not had one fatality. Yes, a couple of guys have gotten stung. It is usually the guys, the crew on the boat when they are mishandling . . . and when I say that, they can slip and we have had a couple of guys who got stung; nothing lethal or life threatening.

Mr. Speaker, for us to try and curtail the activities of the Watersports Industry in this way is going to create major difficulties for many operators; is going to create undue hardships for hundreds of operators, plus their families which could easily be in the thousands!

Mr. Speaker, [pause] . . . this amendment is broad because of the two incidents—the one in Australia and one in Florida. Mr. Speaker, those are totally wild creatures—totally wild rays. The rays we have at the Sandbar, if I can use the word, can be considered domesticated—just like our cats and dogs. You go there, they come around and you feed them. There is no sweat; you can bump into them and they do not sting you. They will rub up against you, like they are asking for food.

Mr. Speaker, there is just no way that I can support this amendment. How can I go back to my constituents, the people who elected me to represent them, who are probably 90 percent of the operators from West Bay, and just sit idly by and not oppose to this amendment?

Mr. Speaker, I think the Government needs to take this amendment, rehash it and make some changes. I am no authority on the Marine Conservation Law; however, it has to be borne in mind that I have brought to this honourable House amendments to the Marine Conservation Law in the interest of conservation. But this is not in the interest of conservation as far as I am concerned. Well, not totally! It is going to create more hardships and more undue stress, loss of

jobs and more difficulties for the population of this Island—not only West Bay, but especially West Bay.

So, Mr. Speaker, with those short words, I cannot support this Bill.

Thank you.

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

If no other Member wishes to speak, would the mover like to exercise his right of reply?

(Time 3:20 pm)

Hon. Charles E. Clifford: Thank you, Mr. Speaker, and yes, I would certainly like to do that.

Mr. Speaker, to say that I am disappointed in the position of the Opposition with this legislation is certainly an understatement. The Leader of the Opposition in his contribution mentioned the fact that this creates very wide powers for the Government. Mr. Speaker, I am somewhat puzzled by that because, certainly, as the Father of the House, the Leader of the Opposition would be very familiar with the making of regulations and what we term “secondary legislation.” There is hardly one piece of legislation that would come before this House that would not allow for the Government to make regulations there under. That is the norm, Mr. Speaker, and there is a reason for that.

In this case we are talking about regulating an industry, regulating the activities of individuals, boats and how certain places can be used with respect to marine life. That type of activity, by its very nature, is something that is quite dynamic. Hence the reasons why you would have to deal with these types of issues through regulations, because it is much easier as things develop that you can amend and change the regulations from time to time, as opposed to having to come to the House on every single occasion to do so.

The Leader of the Opposition and the Fourth Elected Member for West Bay essentially said that this particular amendment to the Bill, which will allow Cabinet to create regulations there under, that they will affect many persons’ livelihood. In fact, the Fourth Elected Member for West Bay went so far as to say that it will result in loss of jobs. Mr. Speaker, I do not understand that position because in my remarks I mentioned that the whole reason, the impetus behind creating these regulations under this amendment, is to do exactly the opposite—to ensure the sustainability of the Sandbar and Stingray City sites for generations to come.

I also mentioned in my presentation of the Bill that we have already had some consultation on the draft regulations, and we have consulted (as an example) the Marine Conservation Board, the Land and Sea Cooperative, the Department of Environment, and the Watersports Industry. I want to assure honourable Members of this House that before the regula-

tions are concluded, we will have further consultation on the matter.

Hon. W. McKeeva Bush: With who?

Hon. Charles E. Clifford: Mr. Speaker, the consultation will obviously involve the key stakeholders in the industry, stakeholders such as the members of the National Watersports Operators Association, and the watersports branch of the Cayman Islands Tourism Association, and, as I have already indicated, the Land and Sea Cooperative.

Hon. W. McKeeva Bush: Mm-hmm.

Hon. Charles E. Clifford: The Fourth Elected Member for West Bay indicated that this was going to affect dolphinariums and turtles at the Turtle Farm. That is simply not correct.

This amendment to the Bill allows for the Government to make regulations there under, as I said. And, clearly, in drafting those regulations establishments like the Turtle Farm would not be captured by them because, in any event, the Farm and activities of the Farm would not be located in a marine environment, certainly not in Cayman waters.

Mr. Speaker, the Fourth Elected Member for West Bay gave some rough figures, that 3,000 to 5,000 people visited the Sandbar and Stingray City on a daily basis. That alone should certainly underscore to the Opposition the need for these regulations—

Hon. W. McKeeva Bush: We’re not saying we don’t need *[inaudible]*

Hon. Charles E. Clifford: —the need to regulate the activities on the Sandbar and Stingray City.

Mr. Speaker, the fact that we have had no serious incidents at those sites is certainly no reason for us not to act to ensure that the sites remain as safe as they possibly can be. Unlike previous administrations, we are not going to sit here and be reactive; we are going to be proactive and ensure that those two sites are properly regulated, as I said, not just for us, Mr. Speaker, but for future generations to come.

I am certainly most disappointed by the position taken by the Opposition. I thought that this was a Bill they would certainly understand the reasons behind—

Hon. W. McKeeva Bush: Oh?

Hon. Charles E. Clifford: —and that they would be more than willing to support that.

Mr. Speaker, the fact that they have acknowledged that the majority of users of those two sites come from their constituency and that this is in the best interests of those users, I would have thought that they would have supported the Bill. But it seems that this is the week of doom and gloom for the Oppo-

sition and they have suggested that the Government will do all sorts of things to cause people to lose their jobs as a result of this. That, too, like other statements made by the Opposition this week, is extremely irresponsible and reckless.

Notwithstanding that, as was said on previous occasions in this House long before I got here, the Opposition must have its say, but the Government must have its way.

I thank you, Mr. Speaker.

Hon. W. McKeeva Bush: Go ahead, Benson. You'll get what he got too!

The Deputy Speaker: The question is that a Bill shortly entitled the Marine Conservation (Amendment) Bill, 2006, be given a second reading. All those in favour please say Aye. Those against, No.

Ayes and 1 audible No.

The Deputy Speaker: The Ayes have it.

Hon. Charles E. Clifford: Mr. Speaker, can we have a division please?

The Deputy Speaker: Madam Clerk.

The Clerk:

Division No. 7/06-07

Ayes: 10

Hon. D. Kurt Tibbetts
Hon. Alden M. McLaughlin, Jr.
Hon. Anthony S. Eden
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

Noes: 3

Hon. W. McKeeva Bush
Capt. A. Eugene Ebanks
Ms. J. O'Connor-Connolly

The Deputy Speaker: The result of the division is 10 Ayes and 3 Noes. The Marine Conservation (Amendment) Bill, 2006, has therefore been given a second reading.

Agreed by majority: The Marine Conservation (Amendment) Bill, 2006, given a second reading.

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

House in Committee at 3.30 pm

The Chairman: Please be seated.

The House is now in Committee. With 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 the clauses?

The Judicature (Amendment) Bill, 2006

The Clerk: The Judicature (Amendment) Bill, 2006.

Clause 1 Short title.
Clause 2 Amendment of section 8 of the Judicature Law (2004 Revision) – composition of juries.
Clause 3 Repeal and substitution of section 17 – challenges.
Clause 4 Transitional provisions.

The Chairman: The question is that clauses 1 through 4 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 1 through 4 passed.

The Clerk: A Bill for a Law to amend the Judicature Law (2004 Revision) with respect to jury service and the selection of jurors; and for incidental and connected purposes.

The Chairman: The question is that the Title stand part of the Bill. All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Title passed.

The Marine Conservation (Amendment) Bill, 2006

The Clerk: The Marine Conservation (Amendment) Bill, 2006.

Clause 1 Short title.
Clause 2 Amendment of section 5 of the Marine Conservation Law (2003 Revision) – fisheries officers.
Clause 3 Amendment of section 29 of the Marine Conservation Law (2003 Revision) – regulations.

Hon. W. McKeeva Bush: Mr. Chairman.

The Chairman: Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: I am wondering, with your assistance or through the Standing Orders, where it says in clause 3 and down to before you get to (s), or after (s), if necessary, that the words would be used "that regulations made for those matters must be

brought to the Legislative Assembly.” I am wondering if under the Standing Orders you would permit that amendment to be made or proposed.

[pause]

The Chairman: Honourable Member, if there is a proposed amendment, while I can waive the notice that should be required, we need to have the amendment in writing. So, if it is your intention to do that, we will have to take a short suspension to prepare that amendment.

Hon. W. McKeeva Bush: I intend to do that, Mr. Chairman, and I guess I would ask for a long enough suspension to get that done. It is a brief amendment from where I stand, unless the Attorney General knows something else, it seems that is what we are trying to accomplish. But it should be an amendment to 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 words or so.

The Chairman: Honourable Minister of Tourism.

[pause]

Hon. W. McKeeva Bush: While they are conversing there, the Attorney General and the Minister of Tourism, I would like to say that the Minister got up there—and he would get up and say because he cannot help himself—and said that we did not want the sustainability of the North Sound. That is not what we have said. What I said—

Hon. Charles E. Clifford: That was the effect of what you said.

Hon. W. McKeeva Bush: You don't know what you're talking about, that's your problem!

What I said, Mr. Chairman, was that we understand there needs to be regulations, but we are hesitant to put these kinds of regulations in the hand of a body of people. We have constituents—not just West Bay constituents, but others—who this will affect. There is no getting around the fact that this is going to create some friction and so on—

Hon. Charles E. Clifford: Mr. Chairman—

Hon. W. McKeeva Bush: Mr. Chairman I am explaining my position and I am not going to give way. He'll have time.

Mr. Chairman, that he will—

Hon. Charles E. Clifford: Mr. Chairman—

The Chairman: *[Addressing the Hon. Minister]* One moment sir.

I will allow the Leader of the Opposition to continue.

Hon. W. McKeeva Bush: He will have . . . there is going to be confusion, there is going to be friction about it, and it is best that because of the number of people it affects and the type of regulation that need to be made when those regulations are made that before they are put into effect they must come to the House, or should come to the House for all Members to be able to discuss.

The Chairman: Honourable Minister of Tourism.

Hon. Charles E. Clifford: Mr. Chairman, I was just going to say that the Leader of the Opposition has already debated the Bill, but he is getting a second opportunity.

But, Mr. Chairman, we will accommodate him if he wishes to prepare a committee stage amendment. We are certainly willing to accommodate that and take the suspension.

[Inaudible background talking]

Hon. W. McKeeva Bush: Hush!

The Chairman: We will suspend proceedings in Committee for 15 to 20 minutes to allow time for the drafting of that amendment.

Proceedings suspended at 3.36 pm

Proceedings resumed at 4.22 pm

The Deputy Speaker: Please be seated. Proceedings in Committee are resumed.

When we took the short suspension the Clerk had already read clauses 1 and 2. The question is that clauses 1 and 2 do stand part of the Bill. All those in favour please say Aye. Those against, No.

Ayes.

The Deputy Speaker: The Ayes have it.

Agreed: Clauses 1 and 2 passed.

The Deputy Speaker: The amendment that has been circulated is an amendment to clause 3. I now call on the Leader of the Opposition.

The Clerk: Clause 3 Amendment of section 29 of the Marine Conservation Law (2003 Revision) – regulations.

The Deputy Speaker: The Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: Mr. Chairman, in accordance with the provisions of Standing Order 52 (1) and (2) I move the following amendment to the Marine Conservation (Amendment) Bill, 2006: that the Bill be

amended by inserting in clause 3 the following paragraph "(c) and adding the paragraph to section 29 of the substantive Law— (r) that all regulations made in accordance with paragraph (q) shall be subject to a negative resolution of the Legislative Assembly."

The Deputy Speaker: Does the Member wish to speak thereto?

Hon. W. McKeeva Bush: Mr. Chairman, as I said earlier, we believe that this gives far-reaching powers to the Board or Cabinet—which is going to affect many, many lives in the Island . . . and while we believe that some regulation need to be put in place we cannot over-regulate and use a maul to kill fire ants. In some instances that is what happens. And while we want to see some regulations we, as legislators, want to have a say in what is being legislated.

The Deputy Speaker; The Honourable Minister of Tourism.

Hon. Charles E. Clifford: Thank you, Mr. Chairman.

Mr. Chairman, regulations by their very nature are subordinate and, certainly, cannot be used to amend primary legislation. The proposal before the committee, at this point to amend the Bill, is certainly an unusual one. It is unusual, Mr. Chairman, because the Marine Conservation Law does not currently require regulations to be subject to negative resolution, and so it is unusual for an amendment to be moved on a Bill to amend the primary legislation to make that so.

Therefore the Government cannot support the proposed amendment.

However, Mr. Chairman, as a compromise, what the Government will commit to is including all Members of this House—which includes the Opposition Members—in one of the stakeholder groups that will be consulted on the regulations before they are finalised. So, I will make that commitment to all Members of this honourable House that before they are finalised we will bring them here for a meeting in the committee room where they can have their input. And if we believe there is merit in any changes being made to the draft regulations then, clearly, the Government will take that on board.

Thank you, Mr. Chairman.

Hon. W. McKeeva Bush: Mr. Chairman, the Minister said that clearly Government would take on board any discussions or representations made. But we cannot be guaranteed by that, Mr. Chairman, because perhaps . . . and he has already said that we were out of line by what we were saying. So, I do not know how we are going to gain anything by asking him without any kind of powers in our hands. They are the Government who can go ahead and do what they want. I do not think that they are doing right. Certainly, I will

say that . . . and if they do call us for a meeting, we will come. But we would only be one out of the rest.

I do not know . . . and he cannot say that this provision that we seek to put in is out of line because as a legislative body we can do that. We can have authority to make matters subject to negative resolution. We just passed the Immigration Bill, and that is one important matter which is going into Cabinet's hands. That Bill made a provision for allowing a negative resolution on the Immigration Regulations on the matter of key employees. That is very important, but this is important too. This will affect people's lives.

While we can come in that committee room, or any room, and have a discussion, we cannot put amendments forward to it, not at that point. We can only bring a motion later on to have it debated. Not to say that the Government will accept any motion we bring, but that would be our democratic right.

The Chairman: Honourable Minister of Tourism.

Hon. Charles E. Clifford: Thank you, Mr. Chairman.

Of course the Leader of the Opposition is right. The recent amendments that were passed to the Immigration Law do, in fact, require that. The Immigration Law in other respects requires that. This particular Law does not. They are seeking now to make that so. The Government's position is that it is not necessary and our compromise is that we will include them as a stakeholder group in discussion on the draft regulations before they are finalised.

The Chairman: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Just to quickly follow up, Mr. Chairman, the Leader of the Opposition has clearly outlined the process that obtains and exactly what the circumstances are. If the Government, as Minister Clifford has said, is quite willing to accommodate dialogue with the Opposition prior to the Regulations being finalised, then, certainly, the Opposition, being in the minority, should accept the good faith of that position.

The other alternatives which the Leader of the Opposition has put forward, including one of them being the proposed amendment, do not guarantee any change that they will be able to make; it only guarantees them being able to voice it in this Legislative Assembly. And any motion after that by way of a Private Member's Motion would do likewise. So, the point at hand is really one that is not going to achieve any more. I just wish to make that very clear. And he did that himself when he very eloquently explained what could be done.

So, I hope that the Opposition would accept the good faith gesture of the Government. And we do give them the guarantee that they will have ample room for dialogue prior to the Regulations being finalised.

Hon. W. McKeeva Bush: Mr. Chairman.

The Chairman: Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: While we will come to any meeting, that is not saying that we are going to get anything done either. As far as being a legislator and coming here, we have some authority; but in that meeting we come there to perhaps listen and talk around the issue. But that is not to say that the Government is going to listen to us. And whether he is saying it is good faith now or not, Mr. Chairman, they have not listened to us thus far about anything, so that is not saying they are going to do that in any committee.

I am not going to prolong this. I have done my duty. We have done our duty, Mr. Chairman, and that is that we believe bringing this thing where it will have more public scrutiny, because that is very important, it will have public scrutiny. And for us as legislators, not just us, but their backbench supporters as well would have a legislative vote.

For instance, Mr. Chairman, if they go to the meeting and the four of them cannot get anything done with the Government—if the Government goes ahead and listens to somebody else and does not listen to their backbench, then we cannot do anything. But if the four of them were here in a vote and they agreed somehow with our position, then, Mr. Chairman, we would have a fairly good majority.

[Inaudible interjections]

Hon. W. McKeeva Bush: No, but that could happen because I do not believe you have that kind of extension cord if they saw something wrong.

So, those are the reasons why we do have something coming as a negative vote. That is why you put it there, because people then have a chance to vote it down, and not just the Opposition, but some of your backbench as well.

I am not going to prolong this, Mr. Chairman, I do not feel like they are going to allow it. They just wanted their usual ploy ‘*See how nice we are? We are such a nice bunch of guys*’ and that time taken to do all this to come to naught.

Anyway, go ahead. Sail on, O Ship of State.

[laughter]

The Chairman: Honourable Minister of Tourism.

Hon. Charles E. Clifford: Thank you, Mr. Chairman.

I think I have demonstrated, both in my presentation of the Bill as well as in my comments in Committee, that all of the relevant stakeholders will be consulted, including the Members of Parliament. I doubt whether there is anyone outside of those groups that would have an interest in it, but, certainly

these Regulations are not going to be kept in secrecy. They are going to be gazetted like any other regulations. Like all other regulations, if there are issues with them, and if there are some things in them that cannot work, then it is a lot easier, Mr. Chairman, to amend the regulations then to have to come back to this House every time.

Mr. Chairman, I would strongly suggest that we put this matter to the vote.

Hon. W. McKeeva Bush: No, Mr. Chairman, because that is not the case. It would not be something as he is saying. That is not the role it would play. That is not the way it would go. But, I am going to do what I have done the last 19 months, say my little piece, and let them sail on.

The Chairman: Okay.

Captain Eugene, the honourable Fourth Elected Member for West Bay.

Capt. A. Eugene Ebanks: Thank you, Mr. Chairman.

I just want to make it abundantly clear that I support the regulations except paragraph (q), where it says, “prohibiting or regulating.” Those are the only two words . . . the one word, “prohibiting” is the word that I have a problem with.

As far as the rest of the amendment is concerned, I have no problem with that. But that is the operative word that I know—I know—we are going to have a major problem with.

Thank you, Mr. Chairman.

The Chairman: I think all Members have had their say.

The question is that the amendment stands part of the clause. All those in favour please say Aye. Those against, No.

1 audible No *[Hon. W. McKeeva Bush]*

[Inaudible interjections and laughter]

The Chairman: Maybe it’s getting late in the day!

[laughter]

Hon. Charles E. Clifford: Mr. Chairman, I think you should start over!

Hon. W. McKeeva Bush: Mr. Chairman, I think you better start over again!

[laughter]

The Chairman: I will start over!

Hon. W. McKeeva Bush: I am so used to hearing the Government say “Aye” . . . and I guess they are so used to me saying “No” . . . *[laughter]*

But, for the record, I vote “yes”!

[laughter]

The Chairman: Members, this is obviously close to the Christmas season. It is good to see that we can have so much—

Hon. W. McKeeva Bush: And just to show, Mr. Chairman, how we can be led astray by evil means . . . I was reading St. Matthew, chapter 2 and verse 8, where Herod was sending Wise Men somewhere else!

[laughter]

The Chairman: Let’s try this again.

The question is that the amendment stands part of the clause. All those in favour please say Aye. Those against, No.

Aye and Noes.

The Chairman: The Noes have it.

Hon. W. McKeeva Bush: We better take a division on that.

[laughter]

The Chairman: Madam Clerk.

The Clerk:

Division No._8/06-07

Ayes: 3

Hon. W. McKeeva Bush
Mr. Rolston M. Anglin
Capt. A. Eugene Ebanks

Noes: 10

Hon. D. Kurt Tibbetts
Hon. Alden M. McLaughlin, Jr.
Hon. Anthony S. Eden
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

The Clerk: Three Ayes, ten Noes.

The Chairman: The result of the division is 3 Ayes, 10 Noes. The amendment has been defeated.

Amendment to clause 3 negatived by majority.

The Chairman: So, the question now 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 stands part of the Bill.

Agreed: Clause 3 passed.

The Clerk: A Bill for a Law to amend the Marine Conservation Law (2003 Revision) with respect to wildlife interaction in Cayman waters; to make further provision with respect to the powers of fisheries officers; and for incidental and connected purposes.

The Chairman: The question is that the Title stand part of the Bill. All those in favour please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it. 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 Judicature (Amendment) Bill, 2006 and the Marine Conservation (Amendment) Bill, 2006 to be reported to the House.

The Chairman: That concludes proceedings in Committee. The House will now resume.

House resumed at 4.40 pm

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

REPORTS ON BILLS

The Judicature (Amendment) Bill, 2006

The Clerk: Report on The Judicature (Amendment) Bill, 2006.

The Deputy Speaker: The Honourable Second Official Member.

Hon. Samuel W. Bulgin: Thank you.

Mr. Speaker, I beg to report that a Bill entitled The Judicature (Amendment) Bill, 2006, was considered by a Committee of the whole House and passed without amendment.

The Deputy Speaker: The Bill has been duly reported and is set down for a third reading.

The Marine Conservation (Amendment) Bill, 2006

The Clerk: Report on The Marine Conservation (Amendment) Bill, 2006.

The Deputy Speaker: The Honourable Minister for Tourism.

Hon. Charles E. Clifford: Thank you.

Mr. Speaker, I rise to report that a Bill entitled The Marine Conservation (Amendment) Bill, 2006, was considered by a Committee of the whole House and passed without amendment.

The Deputy Speaker: The Bill has been duly reported and is set down for a third reading.

THIRD READINGS

The Judicature (Amendment) Bill, 2006

The Clerk: Third reading: The Judicature (Amendment) Bill, 2006.

The Deputy Speaker: The Honourable Second Official Member.

Hon. Samuel W. Bulgin: Thank you.

Mr. Speaker, I beg to move that a Bill entitled The Judicature (Amendment) Bill, 2006, be given a third reading and passed.

The Deputy Speaker: The question is that a Bill shortly entitled The Judicature (Amendment) Bill, 2006, be given a third reading and passed.

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

Ayes.

The Deputy Speaker: The Ayes have it. The Judicature (Amendment) Bill, 2006, has been given a third reading and is passed.

Agreed: The Judicature (Amendment) Bill, 2006, given a third reading and passed.

The Marine Conservation (Amendment) Bill, 2006

The Clerk: Third reading: The Marine Conservation (Amendment) Bill, 2006.

The Deputy Speaker: The Honourable Minister for Tourism.

Hon. Charles E. Clifford: Thank you.

Mr. Speaker, I beg to move that a Bill entitled The Marine Conservation (Amendment) Bill, 2006, be given a third reading and passed.

The Deputy Speaker: The question is that a Bill shortly entitled The Marine Conservation (Amendment) Bill, 2006, be given a third reading and passed.

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

Ayes.

The Deputy Speaker: The Ayes have it. The Marine Conservation (Amendment) Bill, 2006, has been given a third reading and is passed.

Agreed: The Marine Conservation (Amendment) Bill, 2006, given a third reading and passed.

The Deputy Speaker: Honourable Members, that concludes the business on the Order Paper and the business for this Meeting. Seeing that we are at the end of the year and in the Christmas season, and as this will be the last sitting of the House before Christmas, I would like to use this opportunity to wish all Members and their families a joyful, happy and safe Christmas and look forward to us working together for the interest of the country in the New Year.

Before calling on the Honourable Leader of Government Business for the motion for the adjournment, I would like to give all other Members an opportunity to extend Christmas greetings to their constituents, whoever may want to.

[pause]

The Deputy Speaker: Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: Thank you, Mr. Speaker.

I do want to wish all Members of the House, including yourself and your family, and, indeed, the Speaker and her family, happy holidays.

I also want to put on record my appreciation on behalf of the Opposition, to the staff for their diligence over this past year. I recognise that there have been some challenges for some of the staff this year. We have a good staff. They work hard for us and they are good civil servants.

We are reminded to pray, Mr. Speaker, for Mrs. Watson and her family, including her sister and her family, in their tragedy.

We would also like to thank the Serjeant. I say staff, and, of course, I include him, but to thank him for his diligence here this past year.

I want to thank the media for their reports. Not all of us agree with those reports but we want to thank them nevertheless because many of the things would not get aired if we did not have the media here with us.

Mr. Speaker, I know that we should also say a word of thanks to our constituents who are still there for us, who continue to pray for us and work for us

and work with us, we want to thank them for their efforts, for their belief in us.

When all is said and done, Mr. Speaker, we have a good home. These Islands are still the envy of many. We thank our people because there are many times that they could be on the streets in anger. But I believe one thing that God has given our people is patience. I do want to thank them for all that they do.

The service clubs in these Islands, Mr. Speaker, do a tremendous job. Government could never afford to pay for the amount of voluntary work that goes on in these Islands. We, as legislators, need to be grateful for all that they do—the Lion's Club, the Rotary, the various cancer organisations, those organisations that really work hard. As I said, we have those that deal with various sectors and parts of these Islands. We could never, never afford to pay to get that type of work done. So, we are thankful for their efforts and wish them and their families well in the holidays.

Mr. Speaker, for me it has been a good year. I have taken the scripture from St. Matthew chapter 2, in particular verse 8, where Herod said "go and find the child." Go and find the child is my message to all of my colleagues and all of my friends because that is what I did. There is a difference when you do that. You no longer want to do the things that are not pleasing to him. At this Christmas, it is the best gift that I could have ever given myself, that is to try and live a life that is pleasing to God; to repent of our sins and to prepare for a long eternity.

Go and find the child. This is my message this Christmas season. This is my theme. Herod wanted to destroy the child. But we go and take that child for ourselves personally.

Go and find the baby Jesus, talk to him, take him as your own. You will find those pressures that burden you will become lighter; those pains that worry you will be easier to bear; those family problems can be dealt with in a whole new way. We will have more patience, more endurance, and God's love in us will be made clearer for our friends and loved ones.

So, I say to you and all of our people that eye had not seen, nor ear heard the joy his salvation brings. When the preparations for the holidays are over, the lights are taken down, the bells are taken down, Christ, the child, is still there and I am happy in my soul and continue to pray for all of our colleagues.

Again, I wish happy holidays to all Members and their families, and the staff here, and, indeed, our people, and a more prosperous and healthy 2007.

God bless you all.

The Deputy Speaker: Honourable First Official Member.

Hon. George A. McCarthy: Mr. Speaker, on behalf of the Official Members, I would like to extend Season's Greetings to yourself, to the Speaker and her family, also to your family, Mr. Speaker; the Members of the

Legislative Assembly and their families; the staff of the Legislative Assembly; all civil servants; the Cayman Islands community at large.

The Honourable Attorney General has asked me to make special mention of the staff within the Legislative Drafting Department because they have turned out a lot of legislation during the course of the year.

Mr. Speaker, we have had a wonderful year, but it is a year with mixed blessings. There are hearts that are sad this afternoon, particularly the families of Mrs. Kathleen Watson, a member of the staff at the Legislative Assembly, and also Mr. Doorly McLaughlin and his wife (who works at the Immigration Department). And on behalf of the Official Members and the entire Civil Service, we would like to extend condolences to these individuals on the loss of their children. At this time, words do not offer any consolation. All I can say on behalf of the Civil Service and the Official Members is that we will keep them in our prayers.

The community at large, Mr. Speaker, we have seen a lot of robust activities. I think we are significantly recovered at this time from the ravages of Hurricane Ivan. We have become attractive once more as a cruise destination. Up until yesterday there were seven ships in the harbour. These Islands are blessed.

I was talking to Captain Eugene recently, who mentioned to me that it is expected that there are going to be about 10 ships here on New Year's [day], or around that time. One wonders as to why all of these individuals want to pass through the Cayman Islands, or why the Cayman Islands are now a favourite destination. It is because a person can get off in George Town and walk in any direction with assurance that he or she will not be molested or hassled along the way. These are blessings, probably blessings that we take for granted. But we should never take these special advantages for granted. The community at large has worked hard to achieve this type of safety that is felt by the world community that visits the Cayman Islands at large.

As we look forward to the upcoming holidays, we should be mindful of the reason for the season and that is the birth of our Lord and Saviour, Jesus Christ, who came out of heaven, took on humanity to live amongst us and to show us the way back to the Father. We should always be mindful of this.

Christ Jesus was asked what were the greatest of the commandments. He responded by saying that we should love the Lord our God with all our heart, with all our minds, with all our soul and with all our strength. So, Christmas is a time for loving, a time for caring, a time for sharing. But Christmas should not only be the 25th of December, it should be an attitude that we cultivate throughout our lifetime. It should be a lifestyle.

I think that the minds of the people within the Cayman Islands community are bent in that direction

because this is what has contributed to the great success that we have had up to this point in time. If we are mindful of that, the caring, the sharing and the giving, I think we will continue to enjoy an extension of Christmas for a long time to come.

Thank you, Mr. Speaker.

The Deputy Speaker: Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Mr. Speaker, first of all on behalf of the elected Government and our backbench support I wish to extend Season's Greetings to your good self, to your family, and special greetings to your parents. I was sitting here listening to everybody and when I looked across at the Serjeant-at-Arms I was thinking that Mr. Cline would be happy to be here in the Chamber today. So please extend greetings to them on our behalf.

We want to say a special thank you to the Clerk and all of her staff here at the Legislative Assembly who, even when we are not what we are supposed to be at times, still put up with us and still offer us the attendance that we have learned to expect. And to certainly echo sentiments that have been said before, we have good staff here and we wish to extend our appreciation to them.

I would just like to say that it is a bit difficult to express in words, but all of us are deeply saddened at the tragic events of last evening which took the lives of two young men—one the son of our own Kathleen Watson who has been working here at the Legislative Assembly for quite some time and, as mentioned by the Honourable First Official Member, the other, who would be her nephew, the child of her sister Laura and her husband, Mr. Doorly McLaughlin. We certainly are saddened to hear. No time would be a good time, but perhaps this time is a little bit worse than another time. Our hearts go out to them. Time, perhaps is the best healer for those types of wounds. We pray that God will stay with them during this ordeal that they are going through.

Mr. Speaker, also we wish to extend our special thanks to the entire Civil Service. While they are not staff at the Legislative Assembly, the fact is that all of their functions surround the functions of this Legislative Assembly. So we do wish to extend our appreciation to them for all of the hard work during this past year, and to wish them and their families a very, very, Merry Christmas and certainly a prosperous and hopeful New Year.

Mr. Speaker, also, every one of us has our own constituents throughout the various districts. We wish to extend Season's Greetings to all of them. Certainly all of us are going to make attempts to see as many as possible during the Yuletide Season and, certainly we look forward to that interaction.

The Honorable Speaker is not here because while visiting the bereaved family this morning, unfortunately she had an accident. She is kind of limping

on one leg, but anyway, she is at home resting now. In her absence I would wish to take the opportunity to extend greetings to everyone on her behalf, and also Season's Greetings to her constituents.

Also, Mr. Speaker, unfortunately, the Member for Cayman Brac (on our side) was unable to be here today. I know that he has sent greetings through other media, but certainly he has asked me to extend Season's Greetings to all, both here and his own constituents in the Sister Islands. I am certain they look forward to interaction with him during these holidays.

The Government wishes to extend to the Leader of the Opposition and his colleagues warm greetings for the holidays to all of their families. We wish for all a safe and happy Christmas season.

Mr. Speaker, in closing let me just say that while we have all had our challenges for the past year, I think we can look back and feel a sense of satisfaction and pride in the accomplishments. And I do not mean the accomplishments just of the Government, but I mean the accomplishments of the entire country. The private sector and the public sector have on many occasions joined forces to bring about the desired results. Certainly we look forward to continuing that union.

Finally, Mr. Speaker, let me say a special thank you to the media for keeping us on our toes. We do accept that it is their job. It is not all the time, in fact to be more precise, it is a rare occasion when we hear from them what we want to hear but, at the same time it is quite necessary for part of the entire procedure and we wish for all of them Happy Yuletide Season.

Mr. Speaker, again, to all of us, a safe and happy Christmas! Certainly we all look forward to returning with renewed energies in the New Year to be able to fulfill our responsibilities and the incumbent tasks that we have ahead of us.

Thank you.

The Deputy Speaker: Before taking the motion for the adjournment, I have been asked by the First Elected Member for Cayman Brac and Little Cayman who had to leave to catch a flight, to express greetings to the people of Cayman Brac and Little Cayman on her behalf. She is wishing all the Members, as well, a happy and joyous Christmas holiday and a pleasant New Year.

I will call on the Honourable Leader of Government Business for the motion for the adjournment.

ADJOURNMENT

Hon. D. Kurt Tibbetts: Mr. Speaker, we do not have a fixed date for our next meeting at this point in time. So, I move the adjournment of this honourable Legislative Assembly sine die.

The Deputy Speaker: The question is that this House now adjourn sine die. All those in favour please say Aye. Those against, No.

Ayes.

The Deputy Speaker: The Ayes have it. This House stands adjourned sine die.

At 5.05 pm the House stood adjourned sine die.

OFFICIAL HANSARD REPORT
MONDAY
5 MARCH 2007
10.13 AM
First Sitting

The Speaker: I will ask the Honourable Minister responsible for Health and Human Services, to say Prayers.

PRAYERS

Hon. Anthony S. Eden: 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 10.15 am

**ADMINISTRATION OF OATHS
OR AFFIRMATIONS**

OATH OF ALLEGIANCE

(Administered by the Clerk)

By Mr. Donovan W. F. Ebanks, MBE

The Speaker: Mr. Ebanks, would you come to the Clerk's table, please. May we all stand?

Mr. Donovan W.F. Ebanks: I, Donovan 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, I welcome you once again to these hallowed Chambers. You may now take your seat.

Please be seated.

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

Apologies

The Speaker: I have received apologies for absence from the Honourable First Official Member responsible for Internal and External Affairs and from the Honourable Leader of the Opposition, the First Elected Member for the district of West Bay.

**PRESENTATION OF PAPERS
AND OF REPORTS**

**Special Report to the Legislative Assembly in the
matter of the Complaints Commissioner Law (2006
Revision) - The Existence of Internal Complaints
Processes in Government Entities in 2006, Pre-
pared by the Office of the Complaints Commis-
sioner, 22nd September, 2006**

The Speaker: I recognise the Honourable Chairman of the Committee of the Legislative Assembly responsible for overseeing the Office of the Complaints Commissioner, the Honourable Minister responsible for Education.

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

Madam Speaker, I beg to lay on the Table of this honourable House the Special Report to the Legislative Assembly entitled "The Existence of Internal Complaints Processes in Government Entities in 2006", prepared by the Office of the Complaints Commissioner on 22 September 2006.

The Speaker: So ordered.

Does the Honourable Minister wish to speak thereto?

Hon. Alden M. McLaughlin, Jr.: Yes, Madam Speaker.

In 2005 the Commissioner, with the support of the Chief Secretary, launched a project to ascertain which government entities have an internal complaints process.

An internal complaints process can be defined as any process, whether formal or informal, which allows stakeholders to submit complaints to the government entity and to have the complaint dealt with in a responsible manner.

The results of the study were gathered through telephone interviews and e-mail correspondence. Of the 79 entities that were studied, 34 have an internal complaints process. Seventeen entities do not have an internal complaints process in place. Three were not contacted owing to time constraints. Twenty-five entities did not reply to the survey; therefore it could not be determined whether they have an internal complaints process.

This study will be repeated in 2007.

Historic Public Service Pension Entitlement Concerns – An investigation concerning Caymanians retired or soon to be retired from the Public Service alleging inequitable operation of law in respect of pension entitlement or benefits – Own Motion Investigation Report Number 7 prepared by the Office of the Complaints Commissioner 24th October, 2006

The Speaker: I recognise the Honourable Chairman of the Committee of the Legislative Assembly responsible for overseeing the Office of the Complaints Commissioner, the Honourable Minister responsible for Education.

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

Madam Speaker, I beg to lay on the Table of this honourable House an "Own Motion Investigation Report Number 7" prepared by the Office of the Complaints Commissioner on 24 October 2006 entitled "Historic Public Service Pension Entitlement Concerns An investigation concerning Caymanians retired or soon to be retired from the Public Service alleging inequitable operation of law in respect of pension entitlement or benefits".

The Speaker: So ordered.

Does the Honourable Minister wish to speak thereto?

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

The Office of the Complaints Commissioner (OCC) was made aware that there were a number of civil servants who are now Caymanian and who were employed by Government at a time when it was possible to be lawfully employed without earning pension

benefits or contributing to a pension plan. The end result is that there are now a number of Caymanians who are retired and who are not receiving a pension or are only receiving a minimal pension at best. Other persons soon to be retired are likely to be in the same situation.

Discussions with the Portfolio of the Civil Service reveal that it was aware of the situation. The Office of the Complaints Commissioner was invited to investigate the extent of the problem.

Section 20 of the Complaints Commissioner Law (2006 Revision) states: "**(2)The Commissioner may lay before the Legislative Assembly reports on the inequitable or unreasonable nature or operation of any enactment or rule of law.**"

The goals of the OCC in this investigation were twofold: firstly, to collect data from Civil Servants who were within the scope of the identified problem. Specifically, Caymanians (either born Caymanians or those who became Caymanian by way of status grant) who were civil servants and who, prior to the Public Service Pension Law (2000 Revision) coming into effect, worked without being eligible to contribute to the pension plan.

It should be noted that the Office of the Complaints Commissioner recorded the statement of the Leader of Government Business (at the 20 October 2006 press briefing) that there is no difference between born Caymanians and those who are Caymanian through the grant of status. The distinction used in this report is intended to serve as an historical marker.

The second goal was to analyse the information collected and to invite closer examination of the situation.

Over the course of 10 months, information was collected from approximately 100 persons who claimed to be dissatisfied with their pension situation. The data collected was analysed and separated into 10 different categories:-

1. Status Holders - No Pension – No COS - Retired – On Island
2. Status Holders – Pension – Retired – On Island (never received COS)
3. No Status – No Pension – No COS - Retired – Off Island
4. Status Holders – Local Contract – No COS – Still working
5. Status Holders – COS (for part of Service) – Overseas Contract initially then switched to Local Contract – Still Working
6. No Status – No COS – Local Contracts – Still working

7. No Status – COS – Still working
8. Caymanians – No Pension – Local Contract
9. HSA (Health Services Authority) employees – late arriving information from HSA
10. Independent Contractor

Many of the persons understood the terms of their employment in that they were not contributing to a pension plan and that they would not be entitled to pension benefits. However, some may not have grasped the full consequences of accepting employment in which they were not eligible for pension benefits.

The hardships facing these persons who were the direct focus of the investigation are immediately evident. There are four Caymanians (status holders) who range from age 58-74 and have served between 10–23 years, each, as civil servants and are retired and yet none are receiving pension benefits.

While there was insufficient information to allow the Office of the Complaints Commissioner to make a definite finding of inequitable or unreasonable law on this matter, it was agreed by the OCC and the Portfolio of the Civil Service that the situation of long-term civil servants not being eligible for benefits, or minimal benefits at best, is one that merits careful review. As such the Office of the Complaints Commissioner, by way of this Report, invites the Head of the Civil Service to review the data and gather any other relevant information that would assist in advising the Legislative Assembly on the results of the application of the relevant historic pension laws. If after receiving further information the Legislative Assembly is of the opinion that there has been unfairness in the application of the historic pension laws, the Head of the Civil Service may then take steps to formulate a plan to remedy the unfairness.

Thank you, Madam Speaker.

Financial Statements of the Tourism Attraction Board of the Cayman Islands for the Six Months ended 30th June 2003 and Year ended 31st December, 2002

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

Hon. Charles E. Clifford: Thank you, Madam Speaker.

I beg to lay on the Table of this honourable House the audited financial statements of the Tourism Attraction Board of the Cayman Islands for the six months ended 30 June 2003 and the year ended 31 December 2002.

Thank you, Madam Speaker.

The Speaker: So ordered.

Does the Honourable Minister wish to speak thereto?

Hon. Charles E. Clifford: No, Madam Speaker. Thank you.

Financial Statements of the Port Authority of the Cayman Islands – 30th June, 2004 and 31st December, 2003

The Speaker: I recognise the Honourable Minister responsible for Tourism

Hon. Charles E. Clifford: Thank you, Madam Speaker.

I beg to lay on the Table of this honourable House the audited financial statements of the Port Authority of the Cayman Islands – 30 June 2004 and 31 December 2003.

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.

Financial Statements of the Port Authority of the Cayman Islands – 30th June, 2005 and 2004

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

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 of the Port Authority of the Cayman Islands – 30 June 2005 and 2004.

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.

Moody's 2006 Report on the Cayman Islands

The Speaker: I recognise the Honourable Financial Secretary.

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

I beg to lay on the Table of this honourable House the Moody's 2006 Report on the Cayman Islands.

The Speaker: So ordered.

Does the Honourable Member wish to speak thereto?

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

Madam Speaker, Moody's is an independent provider of economic information that international banking and other lending institutions use as one of their guides on whether they should conduct business with entities within a country or a government and to what extent.

Moody's visits the Cayman Islands annually in order to produce its report on the Islands. Moody's has raised the Cayman Islands' ceiling for foreign currency, bonds and notes from Aa3, or high grade, to Aaa, or exceptional, placing it alongside the UK, the US, Canada and Bermuda. This has resulted from a change in Moody's rating methodology last year which included raising the foreign currency country ceilings of approximately 70 countries. Of these 70 countries, the Cayman Islands were among only three countries which had their ceilings upgraded to Aaa.

The country ceiling is the highest rating obtainable for an issuer of long-term foreign currency denominated bonds. Moody's advises that an Aaa country ceiling for foreign currency bonds and notes can be interpreted as having the best or exceptional quality with the smallest of investment risk.

This ceiling is based on Moody's assessment of a very low risk of a payments moratorium being declared by Government. In other words, Moody's expects a very low risk that the Government will impose a limit on the foreign currency debt payments of a borrowing entity.

The upgrade of Cayman's foreign currency ceiling for long-term debt to Aaa placed the ceiling at the highest long-term rating category. The Cayman foreign currency ceiling for short-term debt of P-1 was already at the highest ratings category for short-term debt. Both ceilings imply a superior ability for repayment, leaving market positions in well-established industries (e.g. Offshore Financial Services), high rates of returns, conservative capital structure and the well-established access to a range of financial markets.

The Cayman Islands has held a P-1 rating since 1997. That highest rating of P-1 has also been in existence since 1989 in the area of foreign currency deposits with local banks. This ceiling is applicable to onshore licensed banks in the Cayman Islands. The P-1 rated banks are deemed to offer superior career quality and have a very strong capacity for timely payments of short-term deposit obligations.

The Government fosters a stable political environment and practices fiscal prudence and will continue to do so. Both of these factors have a positive impact on the Islands' ratings.

The Cayman Islands continue to hold an Aa3 high grade ceiling for long-term foreign currency bank

deposits and an Aa3 rating for Government bonds issued in foreign currency.

The Aa3 long-term foreign currency bank deposit ceiling places the Cayman Islands on level with Hong Kong and above the Bahamas and the rest of the Caribbean. The same is true for the Government's Aa3 rating which is the highest in the Caribbean.

The continued excellent ratings by Moody's, coupled with the fact that in one already high category the ceiling was raised, means that in the management of their financial affairs the Caymans Islands' entities and the Government have been prudent and efficient.

Moody's has listed a number of positive macroeconomic and political factors that have contributed to Cayman's current ratings and these are as follows, Madam Speaker:

- The country's recovery efforts from the effects of Hurricane Ivan which boosted growth and investment and produced an exceptional surge in imports;
- The stable political environment and the fact that the current administration is committed to the Public Management and Finance Law;
- The level of public debt which was contained despite large reconstruction costs;
- The well-established tradition of fiscal prudence which is expected to continue; and
- The absence of pressure on the Currency Board regime or the fixed rate exchange.

Thank you, Madam Speaker.

Cayman Islands Stock Exchange Financial Statements for the year ended 30th June, 2006

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 Cayman Islands Stock Exchange Financial Statements for the year ended 30 June 2006.

The Speaker: So ordered.

Does the Honourable Member wish to speak thereto?

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

Madam Speaker, I wish to present some highlights from the 2006 Annual Report. The 30 June 2006 Annual Report includes audited financial statements of the Exchange, in respect of which the Auditor General has issued a "clean", or unqualified, opinion.

For the year ended 30 June 2006, there were 164 new issues listed on the Exchange, which took the gross number of listings to 1,071. The total market capitalisation of these issues was US \$90.61 billion of which US \$75.65 billion related to Mutual Funds.

The recognition of the Exchange by the UK Inland Revenue in March 2004 has allowed the Exchange to see continued and significant growth in debt securities listings during the 2005/6 financial year. In addition, the first American Depository Share Program was listed during the year.

The law firm of Mourant Cayman Limited became a listing agent during the financial year, bringing the total to 10 listing agents, 7 broker members and 14 registered representatives.

I am pleased to report that for the year ended 30 June 2006 the Exchange's revenue increased to CI \$1,363,416. This result surpassed the forecasts for the year and has allowed the Exchange to maintain self-sufficiency. Its operating expenses were CI \$962,679 during the year. Therefore the Exchange has achieved a substantial net operating profit of CI \$400,737.

As the Exchange continues to be self-supporting there is no requirement for funding from Government.

During the year the total shareholder equity in the Exchange rose to CI \$970,950 and it is proposed that of the profit achieved for the year, CI \$300,551 be paid in dividend to the shareholder – which is the Cayman Islands Government.

Madam Speaker, by way of brief update, I am pleased to report that since the financial year ending 30 June 2006 has passed, debt and Eurobond listings on the Exchange have continued to increase, with the total number of listings as of 29 January 2007 at 1,263 and total market capitalisation of the Exchange was approximately US \$113 billion.

Thank you, Madam Speaker.

Planning Department Audit Cayman Islands Government by Zucker Systems July 2006

The Speaker: I recognise the Honourable Leader of Government Business and the Minister responsible for Planning.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, I beg to lay on the Table of this honourable House the following report: "Planning Department Audit" by Zucker Systems.

The Speaker: So ordered.

Does the Honourable Leader of Government Business wish to speak thereto?

Hon. D. Kurt Tibbetts: Yes, Madam Speaker.

By way of background, I wish to offer the following information:

Earlier last year (that is, in March 2006), the Ministry of District Administration, Planning, Agriculture and Housing contracted Zucker Systems of San Diego, California, to conduct a performance audit of the Planning Department. The Zucker team conducted their review via meetings with Planning Department staff, stakeholder focus groups and other government agencies. In addition, customer mail surveys were done, as well as surveys of staff of the Planning Department.

Based on their work, the Zucker team identified six areas that they felt were of high priority and those areas are as follows:

1. Timeliness [Timelines] For Approvals And Inspections;
2. Staffing;
3. Resources;
4. Delegation;
5. Development Plan, Planning Laws and Regulations; and finally
6. Technology.

The Report, Madam Speaker, contains some 170 recommendations which are classified into Phase One Action recommendations, which it is anticipated will be completed in six to nine months; and Phase Two Action recommendations for implementation within an 18-month period.

In addition, recommendations were classified as being of Priority One, Two or Three. Of the 170 recommendations, 135 of these are identified for Phase One and 35 are identified for Phase Two.

Paul Zucker, the principal of Zucker Systems, made a presentation to the entire Planning Department staff on 8 December last year. Mr. Zucker also met with the Chairman of the Central Planning Authority and the Chairman of the Development Control Board in Cayman Brac and Little Cayman.

My ministry has arranged with Zucker Systems to have one of their staff on Island for two weeks per month for the next six months to oversee implementation of the recommendations of the Report. It is envisaged that the Zucker representative will assist the Planning Department in arriving at an implementation plan and identifying the necessary steps forward to successfully implement the various recommendations.

Given that the public has contributed to the formulation of the Zucker Systems' Report through stakeholder meetings and mail surveys, and given the public profile of the Planning Department, I am certainly happy to table the Report in this Legislative Assembly so that it may become a public document.

As I said before, Madam Speaker, the Report contains some 170 recommendations. And rather than reviewing them all this morning, I would just like to take this opportunity to highlight a few significant ones that I feel may be of particular interest to this honourable House and, indeed, to the general public.

One important recommendation, which is Recommendation No. 44 on page 49 of the Report, is the implementation of the proposed Builders Bill which, Madam Speaker, will be brought before this Legislative Assembly during this Meeting.

This proposed legislation will provide for the tiered registration of contractors and it will give members of the public some assurances with regard to the qualifications of the contractor that they hire. The current lack of this type of registration has created additional work for the Building Control Unit by generating the need for multiple review cycles and more inspections than really should be required.

It is my sincere hope, Madam Speaker, that once the Builders Bill receives safe passage through this Legislative Assembly we will see a marked improvement in the quality of construction and a subsequent decrease in the need for repeated re-inspections by the Building Control Unit of the Department of Planning.

As Members of the House are aware, when this Government was elected we made a commitment to foster open, transparent, honest and efficient public administration. Recommendation No. 103, on pages 88 and 89 of the Report, addresses this in the planning approvals process by recommending that some changes be made to encourage greater transparency of decision-making by the Central Planning Authority and the Development Control Board.

While there is something of a paradigm shift still required to open the Authority's meetings to the public, the Ministry is committed to working with the Department, the Central Planning Authority and the Development Control Board to determine how to make the planning process more open and transparent with the ultimate goal of having open deliberations and decision-making, which I am confident will result in a better process overall.

One recommendation that I am sure will receive the heartfelt endorsement of contractors and their clients is the proposal to move toward next-day inspections for building control (that is Recommendation No. 91).

As part of the implementation of this Report and as is recommended in this Report in Recommendation No. 90, a staffing analysis of the Building Control Unit inspections section will be conducted to determine the staffing requirements for implementing a system of next-day inspections.

Currently, there is an average of a three-day lag time between an inspection request and the actual inspection and this is resulting in contractors requesting inspections before they may be ready. So, sometimes the result is that partial inspections, or incomplete inspections, occur which increases the workload for the Building Control Unit staff and it also causes frustration for the builders and their clients.

In other words, Madam Speaker, because the experiences by the contractors (that they need to call a few days in advance), in anticipation they call and

set a time. And sometimes things happen between there where what they think they will accomplish is not accomplished by them, the inspectors show up and then they have to come back again. But, of course, you cannot blame them for doing that because they cannot be guaranteed that on completion they will be inspected by the next day. By moving to next-day inspections, Madam Speaker, it is envisaged that such occurrences will be minimised and the results will be increased efficiencies on both sides of the table.

I am sure that I do not need to point out to anyone that we have seen considerable changes in the country over the past few years and development seems to continue apace.

The last full review of the Grand Cayman Development Plan was completed in 1997. I am certain that everyone will agree that times have changed since then. The Development Plan needs to be reviewed to bring it in line with today's environment and to make it more responsive to the current state of the Islands. This report also recommends moving ahead with a review of the Development Plan, and I am pleased to report that this is underway as we speak.

Building on the work done in the 2002 review, the Planning Department has drafted a work plan and is moving towards launching a public outreach programme in September of this year, with the ultimate goal of tabling a proposed Development Plan Policy Statement in this honourable Legislative Assembly in June of next year.

As you read the Zucker Report you will see that the recommendations are extensive and they deal with all aspects of the Planning Department's services. The recommendations of this Report provide us with a blueprint, so to speak, identifying areas for improvement and making specific recommendations for change.

Madam Speaker, you will note that this is no small report; indeed, its implementation will be no small task. But I am confident that the professional staff of the department are up to the challenge of the implementation of the recommendations in this Report and I would like to thank them for their efforts and support in the process thus far.

I would also like to take this opportunity, Madam Speaker, to appeal to the public, the clients of the department to continue to be patient and to provide their support to the department as we move through this implementation process. With their patience and support and all of the efforts of the Planning Department staff and the support of the Ministry, I am confident that we will all be very pleased with the end result.

Madam Speaker, I am happy this morning to lay the Planning Department Audit by Zucker Systems on the Table of this honourable House.

Thank you.

The Speaker: The Tobacco Bill, 2007 – White Paper. I recognize the Honourable Minister responsible for Health and Human Services.

Tobacco Bill, 2007 – White Paper

Hon. Anthony S. Eden: Thank you Madam Speaker. I beg to lay on the Table of this honourable House, the Draft Tobacco Bill, 2007, as a White Paper for public input.

The Speaker: So Ordered.

Does the Honourable Minister wish to speak thereto?

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

Before speaking from my prepared notes, this weekend I had the opportunity to see a documentary entitled “The Insider” which was on (I think) FX Satellite channel. Maybe some of the public are aware of what triggered the furor on the problems with nicotine and its addiction.

It was entitled “The Insider” and it was about a senior scientist and researcher in one of the really large tobacco companies. He was later on termed a “whistleblower.” And this was in the late 1990s.

Evidently, during his research he discovered the problem with nicotine and addiction in cigarettes and other tobacco products. He termed cigarettes as a “delivery service for nicotine.” This information was eventually shared with Mike Wallace of 60 Minutes, which then in turn caused another huge furor, as my colleague, Mr. Roy Bodden (the former Member for Bodden Town), would talk about.

It was quite interesting, the attempt by Big Tobacco at that time. They actually threatened a multi-billion dollar law suit against CBS for eventually revealing this information from one of their top scientists and researchers. But, so be it, that never did pan out. But it was alleged in this documentary that one of the biggest—or the biggest—fraud at that time on the American people in history was in hiding the fact of nicotine’s addiction. This is what inevitably led the World Health Organization taking a decision a few years ago about Tobacco and its effects.

The World Health Organization estimates that around the world tobacco kills five million people each year. This daily toll of deaths is equivalent to about a quarter of Cayman’s population dying every day. Tobacco is becoming nothing less than a global epidemic.

In these Islands we are not immune. People in our community suffer from and die as a result of using tobacco products. The tobacco user does not suffer alone; we all pay the price of this addiction. Tobacco-related illness places a strain on finite health service budgets and their skilled personnel. Tobacco-related illness competes for funds which might otherwise be used to deliver more effective healthcare to other patients.

Tobacco addiction affects loved ones through secondhand smoke, through loss of income, through health impairment, and through decline of friends and family. During this public consultative process I want to remind you that this legislation is about protecting public health. It has been noted that smoke that has been exhaled or that drifts from burning tobacco products contains cancer-causing chemicals. According to the US Surgeon General, these toxins are actually more concentrated in secondhand smoke than in that inhaled by the smoker, which is quite interesting.

Once in the air, smoke particles and poison linger—even if you open a window or door. Many toxic chemicals in tobacco smoke are too small to be trapped and strained by air filters. Some are odourless, and not all are visible in the form of what we see as smoke. For these reasons keeping tobacco smoke out of public places is necessary to help secure the health of the people of these Islands.

In recognition of the harmful effects of tobacco and secondhand tobacco smoke, the world’s first public health treaty, the Framework Convention on Tobacco Control, developed by the World Health Organization, was adopted unanimously by 192 member States on 21 May 2003, subsequently becoming international law on 27 February 2005.

Madam Speaker, the Treaty aims to protect present and future generations from the devastating health, social, environmental and economic consequences of tobacco consumption and exposure to tobacco smoke.

The Treaty obliges signatories to adopt and implement effective measures providing protection from exposure to tobacco in indoor work places, public transport, indoor public places and, as appropriate, other public places. Although our current legislation on tobacco only addresses the advertising of tobacco products to a limited extent, I am pleased to note a significant decrease in tobacco use in public and private offices. This is good for everyone’s health!

Three years ago the tobacco legislation steering committee consisting of representatives from the public, private and NGO sectors, was established under the chairmanship of the medical officer of health. I would like to take this opportunity to thank members of the committee for their commitment and hard work. Your job is not over, and I hope we can continue to work together during this consultation process.

Madam Speaker, I would like to encourage everyone to pick up a draft of the legislation later. But, first, I would like to outline some key components and these are:

- Prohibition of the promotion of tobacco products;
- Prohibiting minors, young people under 18, from buying and selling tobacco;
- Requiring that health warnings are visible on all tobacco products sold in the Cayman Islands;

- Restricting access to tobacco products so that sales are only made at request;
- Reducing cigarette smuggling into the Cayman Islands;
- Requiring the licensing of tobacco sellers; and
- Prohibition of smoking in enclosed workplaces and certain enclosed public places.

Enclosed public places would include bars, public transportation terminals, shops, cinema halls and concert halls, and would also encompass health-care facilities, sport stadiums and educational institutions, also restaurants.

Additionally, I have considered the banning of smoking within 10 feet of a main entrance to buildings. Such action is especially important in regard to educational and medical institutions in order to protect the health of people accessing the building.

One of the most debated issues has been the definition of an "enclosed area." Having reviewed existing overseas legislation, and using the expertise of the committee, I have decided that any area with a roof will be considered "enclosed" under this law. This would include temporary structures such as tents, which might, for example, be used for cooking and food preparation during special events.

While this Bill is simply a discussion draft for your input, I would like to remind everyone of the impetus of this Bill. This legislation is about protecting the health of every man, woman, and child in these Islands.

Some smokers may fear that this bill is about prohibition. Madam Speaker, it is not. This bill is about protecting public health. While legislation is essential, I recognise that certain initiatives can be taken without it. The no tobacco movement has had a long history in these Islands. I want to thank pioneers like Mr. Billy Adams who, among many, formed the early anti-tobacco lobby.

In the early 1990s the Cayman Islands Government introduced a policy banning smoking in government work places. I commend the Government of the day for their forward-thinking and believe that Government must continue to be a role model in this regard. I welcome the recent decisions of several local organisations such as (to name a few) Bacchus Bar and Restaurant, Sapphire, the Lighthouse Club, Southcoast Bar, and the Cayman Islands Rugby Club, for adopting smoke-free premises. I would also like to commend the Marriott Beach Resort for adopting the corporate smoke-free policies introduced recently in North America here in their premises in the Cayman Islands. These are great examples of institutions taking responsibility.

I also at this time want to acknowledge the work of the Cancer Society in launching the smoke-free campaign. They have been an invaluable supporter of this legislation. I hope they will continue to do

their part in educating the public in the dangers of tobacco.

Before I close, I would like to paraphrase the late Director General of the World Health Organization, Dr. LEE Jong Wook, who said, "The success of the proposed legislation will depend on the energy and political commitment that we devote to implementing it." I have no doubt in my mind that this parliament has this commitment. I believe this wholeheartedly. However, I also believe that this sentiment extends to include the public's participation.

Madam Speaker, it would be remiss of me if I did not encourage both of my colleagues who are trying their best to kick this addictive habit caused by nicotine . . . I implore them and the general public out there (because all of us have the difficulties)—

An Hon. Member: They wouldn't know.

Hon. Anthony S. Eden: . . . they are very good friends of mine! People I have worked with for a long time. I want to encourage them to try their best. And if you need help, I am sure, as I have my assistant senior—

The Speaker: They don't need help!

Hon. Anthony S. Eden: —officer here with me, through Public Health, we would be willing to assist wherever possible.

I want to encourage everyone to become familiar with this draft document. Madam Speaker, they have 60 days to peruse this. The future of this legislation will depend on the input and participation. Read it and send us your comments. We will not know how you, the public, feel unless you let us know.

Madam Speaker, hard copies will be available at the Public Health Department and very shortly on the government website.

I hope that all of you give wholehearted support to this legislation. This is a great opportunity for us to make the Cayman Islands a safer and healthier place for ourselves and for our children.

Thank you, Madam Speaker, and may God bless us all.

Hon. D. Kurt Tibbetts: I wish others would pay as much attention to other ills as they pay attention to that.

[Inaudible comment]

Hon. D. Kurt Tibbetts: *[Repeats]* . . . other ills, as they pay attention to that.

[Laughter]

STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF THE CABINET

The Speaker: I have received notice of a statement from the Honourable Minister responsible for Communication, Works and Infrastructure.

Honourable Minister.

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

Before I start my statement, I just want my good friend and colleague, the Minister for Health, to know that I am behind him unconditionally!

[Laughter]

An Hon. Member: (*jokingly*) Any more commitments?

Hon. Anthony S. Eden: Thank you!

The Award of the Scrap Metal Removal Contract

Hon. V. Arden McLean: Madam Speaker, I would like to update this House and the people of these Islands on the award of the scrap metal removal contract.

In recent publications of the *Cayman Netnews* there have been concerns raised by Cemax Limited over the granting of the contract to a bidder other than Cemax. *Cayman NetNews* has also published two editorials regarding this matter.

The self-styled Chief Executive Publisher and Editor in Chief of the *Cayman NetNews* has, in his questionable wisdom and no doubt coloured by his own past, seen it fit to label this transparent and equitable process as a scandal.

First, I must make it clear that no contract has yet been signed.

As correctly stated by the chairman of the Central Tenders Committee (CTC), there are some due diligence procedures to be completed. These pertain to certain aspects of the contract clauses and bonding, and contrary to what the editorials allege, are standard and required activities prior to the signing of any major commercial contract—no matter whom the party. At present the matter is with the attorneys of both parties.

Madam Speaker, perhaps a summary of events will enlighten the matter.

Matrix International introduced themselves to the Director of the Department of Environmental Health (DEH) in July 2006 expressing an interest in scrap metal removal from the Cayman Islands.

DEH then extended an invitation to Matrix International to visit the landfill. Matrix toured the landfill and later met with me, the Chief Officer of the Ministry of Communications, Works and Infrastructure, the Act-

ing Director and Deputy Director of DEH to discuss removal of the scrap metal. They made an informal offer of \$600,000.

I informed them that there are processes to be followed before any contract can be awarded by Government. They were further informed that fundamental to this process was the Public Management and Finance Law (2005 Revision) requirement to offer sale of assets via public tender.

A committee chaired by the Chief Officer, including the Director and Deputy Director of DEH, was established to prepare the tender documents. Along with the signed Bid Form, each potential bidder was required to submit a qualification statement and copy of valid insurance coverage. Because the initial offer was in excess of \$100,000, responses were directed to be addressed to the Central Tenders Committee.

The invitation to bid was first advertised on November 6, 2006, and closed on November 24, 2006.

As I understand, at the December 1, 2006, sitting of the CTC, the sealed bids were opened. All names and amounts tendered were logged at this stage. As is customary for CTC, the bids were referred to the Ministry for its recommendations. The Departmental Tenders Committee (DTC) of the Ministry then evaluated the bids on 8 December 2006, based on the usual benchmarks of proof of financing, experience, price tendered, timeframe for completion, payment terms and equipment availability.

Based on the bids submitted, the DTC was unanimous in its recommendations and submitted these to the chairman of the CTC on 12 December 2006. The CTC, in turn, accepted the recommendation at its sitting of 15 December 2006.

Madam Speaker, regarding the actual evaluation of the tenders, in total three bids were received including the topical ones of Matrix International and Cemax Limited.

Matrix International submitted all the required documents and had a combination of the highest price offered—\$1.25 million—as well as demonstrating the best knowledge of the processes necessary to complete the project.

Cemax Limited, however, did not provide the qualification statement, nor did they provide a copy of their insurance coverage. In fact, the only items submitted by Cemax was a one-page Bid Form. This showed only the amount offered—\$1.2 million—and an estimated time of completion. Given the absence of any information about Cemax, it was I believe literally impossible for anyone to properly assess their technical or financial competencies for this undertaking.

We shall not comment on the third bid, except to say that the amount tendered was a mere \$100.

Madam Speaker, knowing that the CTC and the DTC followed the widely accepted practices outlined above, I am surprised to read the unfounded and malicious allegations and other aspersions on the

pages of the *Cayman NetNews*, especially since they acknowledge the fact that the process was 1) tendered; and 2) reviewed by the Central Tenders Committee.

It is also ironic that the editorial would urge that if there is any “. . . **doubt about the qualification of a particular bidder, no bid should be accepted at the outset.**” [CNN Editorial of 28 February 2007] Using such a yardstick would have caused the Cemax bid to be rejected outright, and it would not have even been scored because of the non-submission of a qualification statement.

Madam Speaker, there have also been malicious remarks such as, “. . . **usual allegations of inside connections and information providing an unfair advantage . . .**” [CNN Editorial of 28 February 2007] The sensationalist journalism—and I use that term loosely—has now resulted in a fair and equitable process being termed “a scandal.”

As far as I am aware, Matrix had one tour of the landfill prior to bidding. Such tours are not unusual or exclusive in any way as there are numerous companies that have visited and toured for different reasons including the Waste Energy Initiative now being proposed. Any of the other firms that bid on the project were free to undertake a similar tour if they so desired. None, to the best of my knowledge, did. There is, therefore, nothing in the procedures followed by the Ministry and the CTC to suggest that local firms were unfairly treated.

Cayman NetNews decried the fact that a foreign company was awarded the contract, and then in the next few sentences advocated that a New Zealand firm should have been contracted!

Madam Speaker, on the issue of timing and completion, there are admittedly delays associated with the due diligence process and legal review, et cetera, and working out the final contract details prior to signing. This process would have been the same regardless of contractor. Even with these delays it is anticipated that the majority of the loose scrap metal will be removed by June, the start of the hurricane season.

The *Cayman NetNews* seems bent on drawing parallels between the MC Restoration Contract for cleanup services after Hurricane Ivan and this Scrap Metal Removal Contract. Quite frankly, there are no parallels. The MC Restoration Contract was for bringing debris to the landfill; this contract is for removing all metal from the landfill and off Island. The MC Restoration Contract involved an outflow of substantial amounts of money; the Scrap Metal Removal Contract involves an inflow of revenue for Government.

Madam Speaker, I am confident that this country will receive value for money and that the proper processes were followed. I, too, would have preferred to see a well established local firm engaged in the removal of scrap metal from the landfill. Unfortunately, as stated earlier, the one local company that

submitted a bid did not comply with the requirements of the tender.

On the issue of equipment being brought into the country, this is specialised equipment used in the processing of scrap metal, which is not available on the Island. It will have to be removed from the island upon completion of the contract, or the duty will have to be paid. Madam Speaker, the irony is that no local company would have had this equipment and would have had to import under the same conditions.

The editorial of the *NetNews* of March 2, goes on to question whether this contract is “insanity or something more sinister.” Madam Speaker and fellow Caymanians, I have never had reason to explore the practical interpretations of the word “sinister”, and it is unfair to me or any other Member of this PPM Government to be measured by the behaviours and past of others. Fortunately, Caymanians are of good memory, and I will leave them to be the judge of who is of “sinister” motives.

Madam Speaker, this is, I believe, an historical occasion wherein the Government is receiving substantial payment for waste material. Rather than acknowledge the benefits of this exercise, the Publisher and Editor in Chief of the *NetNews* has chosen to mislead the public and question my integrity as well as that of the Public Service. The Publisher and Editor in Chief must refrain from measuring the corn of others by his bushel!

I hope that this matter is clear to the public now that the facts have displaced all conjecture, speculation and rumours being disingenuously created and disseminated. I also wish that *Cayman NetNews* had contacted me for the facts before both reporting and editorialising based on hearsay and innuendo.

I thank you Madam Speaker.

OTHER BUSINESS

PRIVATE MEMBERS' MOTIONS

Private Member's Motion No. 5/06-07

Amendment to the Development and Planning Law (2005 Revision)/Development and Planning Regulations (2006 Revision)

The Speaker: I recognise the Third Elected Member for the district of Bodden Town.

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

Private Member's Motion No. 5/06-07—Amendment to the Development and Planning Law (2005 Revision)/Development and Planning Regulations (2006 Revision):

WHEREAS a number of properties throughout the Islands are in a state of disrepair and untidiness;

AND WHEREAS following Hurricane Ivan this state of disrepair and untidiness has become more evident;

BE IT NOW THEREFORE RESOLVED THAT the Government considers amending the Development and Planning Law (2005 Revision)/Development and Planning Regulations (2006 Revision) to include Minimum Property Standards and the penalties for failing to adhere thereto.

The Speaker: Is there a Seconder?

Mr. W. Alfonso Wright: Thank you, Madam Speaker. I second the Motion.

The Speaker: The Motion has been duly moved and is open for debate. Does the honourable Mover wish to speak thereto?

[pause]

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

Madam Speaker, forgive me for the croakiness of my voice. I was unable to speak over the weekend so I am grateful that I can actually rise and offer some debate.

Madam Speaker, the driving force behind this Private Member's Motion comes primarily from my constituent duties in my own district of Bodden Town, but it extends, I believe, to conditions that apply throughout the Cayman Islands.

As we all know, Bodden Town suffered major damage from Hurricane Ivan. Since then, a number of properties have remained in a derelict state and on top of that they have now become overgrown with vegetation and are quite unsightly, to say the least.

Combined with that, Madam Speaker, we have the issue of properties on Island that are used for the wrong purpose many times by individuals and we also have the dereliction of vehicles on private property.

Madam Speaker, the term that has been given to these vehicles, in many cases, is now that they are "Ivanised" vehicles. They have become quite popular in a number of subdivisions and in private homes along the main roads of this country.

In my efforts to conduct my duty—and that is working as hard as I can to ensure that my district looks as good as it can since I have been in office—I have been continuously frustrated, Madam Speaker, by speaking to related authorities on the matter as to exactly what can be done in relation to these private properties.

Suffice it to say that I have drawn blanks on many occasions in that we are told that the property is private and that the owner is responsible, and if the owner does not want to fix up his property, or in some cases clean it up, then, in most cases, nothing is

done. Or, if something is done, unfortunately, under the Planning Law and Regulations—and, really the Planning Law and Regulations are the tools that govern this area—there is a very protracted process involved and it involves the whole issue of abatement notices and eventual action in a court of law.

Madam Speaker, what became quite evident in a short space of time to me is that there was no short route to resolving these issues. We are almost three years post Hurricane Ivan and anyone who drives through Bodden Town, and indeed many other districts . . . I think I can say that with North Side being one of the least damaged, East End with the recovery efforts that they have had and the large resources that they have had, those two districts look pretty good. But when you look at Bodden Town (and that extends from Frank Sound down to Spotts Newlands) and you look at George Town and areas of West Bay as well, it is quite depressing at times when you have to face it day in and day out. These properties just remain dormant and in an unsightly and unsanitary condition.

In preparing this motion, Madam Speaker, I met with staff of both the Environmental Health Department and the Planning Department and we went through what was there in terms of legislation at the moment and what is normal practice in order to get these matters dealt with.

Madam Speaker, the Environmental Health side of things really only trip in when conditions become so unsanitary that they become a public hazard. In a lot of the cases that I was dealing with and looking at, this may not have been the particular case. It may have just been a case of a broken building that has stayed in its broken state. It is an unsafe structure in many cases and it probably has derelict vehicles on the property as well. Therefore there is little joy to be received from that end.

Again, what was interesting and fact-finding for me is that the Environmental Health Department does not operate under an environmental law (and I think this is a story for another day) but, in fact, operates under the current Public Health Law. So, Madam Speaker, there was little for me to get in that area.

My second meeting was with the Planning Department, as I have said, and the area in the Planning Law that deals with this is section 27. Madam Speaker, the Planning Law came about in 1971 and this section has never been revised, not from anything that I can see. I can see no evidence of a revision to the section. If it is okay with you, Madam Speaker, I would like to read the section. It is not that long:

"27. If it appears to the Authority that the amenity of any area is seriously injured, by reason of the ruinous or dilapidated condition of any buildings, or by the condition of any buildings, or by the condition of land due to the deposit of refuse, spoil or derelict vehicles or the occupation of land or a public road for purposes of the repair of vehicles, it may serve on the owner or occupier of the land or the person responsible a

notice requiring such steps to be taken for abating the injury as may be specified by the Authority. Whoever fails to comply with such notice is guilty of an offence and liable on summary conviction to a fine of two hundred dollars [a one-off payment, Madam Speaker] and in default of payment or in lieu of such fine to imprisonment for three months and in the case of a continuing offence to a further fine of ten dollars for each day on which the offence continues.”

Madam Speaker, I read that so that the listening public (and indeed Members) who may not be intimately familiar with it can understand that there are, really, not a lot of teeth in that piece of legislation. When you talk about a fine of \$200 for the offence that I am talking about and \$10 a day for each day that the offence continues, we know that we are dealing with an outdated and pretty useless piece of legislation.

Madam Speaker, the general route that is taken, as I mentioned earlier, is the serving of an abatement notice. We have all seen some of them and those are the little stickers that they slap on the vehicle. They are also done in writing to owners. But these abatement notices, to a large extent, are either ignored, simply torn off and thrown away or dumped in a garbage bin; or, if they ever do reach where you talk about court action, these things go on forever and ever.

Madam Speaker, the state of this country, as I see it at this point, cannot be left where somebody can just play with the system, as it were, and forever and ever leave property in the condition that is evident.

Madam Speaker, this then brought me to the point of: What do we do? Where do we go? So, in my meeting with the Planning staff one of the things that they suggest—and it is a fact that most developed countries actually do have them as a part of their legislation, whether it is within the main law or within the regulations—is the whole issue of Minimum Property Standards.

Madam Speaker, for the sake of this House and the listening public, and if you would permit, I have an excerpt from the Florida Minimum Property Standards Code, and I am prepared to lay this on the Table of the honourable House, Madam Speaker.

The Speaker: Proceed.

Mr. Osbourne V. Bodden: I certainly will not go through the whole thing, but there are areas here that I would just like to use to show, first of all, what Minimum Property Standards are, can be and, secondly, for us to get our minds wrapped around what we would like to see here in Cayman.

“The purpose of this code is to establish uniform minimum standards for the occupancy and maintenance of all property located in the Town, including vacant lots and construction sites. The objective of these codes is to improve,

preserve and maintain the buildings and structures as well as landscaping and surrounding property throughout the Town and to eliminate blighting influences, wherever possible . . . This code does not replace or modify standards of other codes or ordinances regulating the construction, replacement or repair of buildings or unsafe structures, but encompasses maintenance standards and shall operate in conjunction with the standard building codes and all other technical codes as adopted by ordinance of the Town.”

Madam Speaker, that is basically what Minimum Property Standards are and what they seek to do.

To give some idea of what this type of standard can be, again I quote, Madam Speaker:

“(A) The exterior of all premises and every structure thereon, including all parts of the structure . . . shall be maintained in good condition and shall not show evidence of deterioration, weathering, discoloration, ripping, tearing or other holes or breaks. All screened enclosures shall be properly fitted and maintained. All other surfaces shall be maintained free of broken glass, crumbling stone, brick or stucco, loose or broken roof tiles or material, or other conditions reflective of deterioration, dilapidation or inadequate maintenance.

“(B) All surfaces requiring paint or which are otherwise protected from the elements shall be kept painted or protected . . .”

Again, Madam Speaker, for the sake of those listening, these are just simple examples. I am not saying that this would be the property standard for the Cayman Islands. Certainly, we would include some elements. I chose Florida because of its proximity as well as because we know we have a lot of similarities in relation to our building codes, and the whole way that the country looks there are similarities in many ways.

Madam Speaker I quote again: **“(G) The owner of vacant lots shall be required to keep such premises free from the growth of weeds, other flora; sand, soil or other fill material used in connection with or as a result of construction projects; and rubbish, trash and other refuse; additionally all vacant lots shall be sodded and continuously maintained.”**

Now, that one, Madam Speaker, could be a little contentious because we know a lot of times what happens in Cayman is that you own a piece of land out in the wilderness somewhere but somebody chooses to make it their dumping ground. It is a bit harsh for the owner of that property to be served notice or penalised. But, at the same time, Madam Speaker, it is one or the other. We either catch the violators that are perpetrating such instances, or we are going to have to hold the owner responsible. He is going to have to find a way of securing his property or avoiding this nuisance. So, again an example of

where the property is vacant and they need to keep it tidy.

Madam Speaker, Minimum Property Standards would also speak to the whole issue of abuse of property. We have all seen this, and I know I have examples in my constituency where you have a residential area but in the midst of it you suddenly have a heavy equipment operation or construction storage, or whatever. That becomes, again, very unsightly and untidy and basically brings down the value and look of any neighbourhood.

So, Madam Speaker, there is a whole wide range. We can run crazy with the standards and the elements of this particular idea, but I feel confident that if we put our heads together (and that will be the Planning Staff and the legal minds) we will be able to formulate property standards that will be suitable to the Cayman Islands and will not be unnecessarily harsh but will certainly go a long way to keeping property in the manner in which it should be kept.

When I was speaking earlier, Madam Speaker, and quoting the Law (section 27), you remember the small fine that it referred to in there and, again, it speaks to the fact that it is very outdated. But an example of what happens in Florida is, and I quote: **“A violation of this Chapter may be subject to a fine of up to two hundred fifty dollars (\$250.00) a day for each violation or five hundred dollars (\$500.00) a day for each repeat violation. Additionally, violations may be subject to abatement procedures pursuant the Chapter 162, Florida Statutes and/or may be subject to any other means of enforcement allowed by law.”**

So, Madam Speaker, clearly we can see that is something to get your attention. You have a property and if you get a notice on it, you are not going to sit around because you are not going to afford those fines for long.

I think that whatever we do we have to ensure that people understand that this is not personal; this is for the betterment of this country. If we continue to allow any old thing to exist, we soon will not have a place that reminds us of home — the Cayman Islands that we cherish and always talk about being nice clean Islands.

Madam Speaker, there are other ways, just to elaborate a little bit more on how we can go about this. What we foresaw in discussions was that the person would have a warning period of, say, one month and in most cases that is a reasonable timeframe in which to take action. After that timeframe then the fines, or whatever, would kick in.

Also, in the case of the inability to pay — I know that will come up as well, as to not everyone being able to handle fines, and not only that, to repair and correct the mistake that is taking place or the condition of the building to repair it. Madam Speaker, we would have then to look at the whole idea of a lien on the property, where in the event of eventual disposal of the property government would be able to

recover. Government would end up having to do it, whether it is a tear down or clean up or whatever, and it is unfair for government to have to do these things without being compensated from somebody. So, along the lines that we would have to have a lien on the property which would then come into fruition when the property is disposed of and some recovery made.

Madam Speaker, obviously, like I said, there are many elements to this and it has to be carefully thought out because we do not want to just make things harder for people or create undue hardship. But at the same time we have a responsibility to this country to ensure that it looks good and it is nice and sanitary.

Madam Speaker, the laws as they stand are a bit fragmented and there has been, I think, a pending review of the Planning Law as I speak. Certainly, we would implore and ask that Minimum Property Standards be given some merit and be considered a part of those revisions when we get a new law. But this is of such urgency that I believe that we need to find a way to adopt and create Minimum Property Standards even if it comes before the full review of the legislation and get it on the books so that the Planning Department will have the ability to act and act expeditiously.

As I said, it is almost three years post-Hurricane Ivan and the way I see it is, there have been some cases of major improvements in Cayman. But what also happened, because Cayman, naturally, was damaged and the appearance was affected by Hurricane Ivan, is that a lot of people chose that opportunity to develop their own nastiness — to throw garbage where it should not be thrown and to leave things the way they should not be left because they can always blame it on Ivan.

Madam Speaker, I feel strongly about this and I would implore all Members of this House to give this Motion their support. I look forward to something positive being done in fairly quick order.

I thank you, Madam Speaker.

The Speaker: Proceedings will be suspended for 15 minutes.

Proceedings suspended at 11.43 am

Proceedings resumed at 12.07 pm

The Speaker: Please be seated.

Proceedings are resumed. Debate continuing on Private Member's Motion No. 5/06-07. 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 rise to give my support and make my contribution to this Private Member's Motion. I believe it to be a very worthwhile and long-in-coming Motion.

I would like to take this opportunity to commend the Third Elected Member for Bodden Town for doing his research and bringing the Motion to this honourable House. I encourage Members to take advantage of this opportunity and have their input by making their feelings known on this very important Motion.

Madam Speaker, part of my contribution will be used to highlight some of the findings of the Cayman Beautification Committee, who have been doing a tremendous amount of work (especially since Hurricane Ivan) to try and do some of the same things that this Motion is now seeking to put in place. And I also want to take this opportunity to publicly thank them for the tremendous amount of work that they have been doing in trying to get things back in shape. They are having some successes, but in many areas they are still having a very, very difficult time from individuals or companies who simply refuse to cooperate.

Madam Speaker, the advent of Hurricane Ivan highlighted a concern that we have had in this country for a very long time, but because of the smaller scale of infractions I guess we did not seem to think it was necessary to bring legislation to correct this problem.

Madam Speaker, many of us who travel along the main highways of this country do not come in contact [with or] are not exposed to a lot of the illegal dumping, the dilapidated buildings, the derelict vehicles and so on, that take place in the small offshoots, the minor roads of this country.

Dyke roads are very famous for a lot of illegal dumping and many times things are left in vacant lots or these same areas that I referred to before until the brush covers them. You no longer see them unless you then have reason to travel inland or you decide that it is time to clean out a dyke or something, and you start finding washing machines and refrigerators and sometimes even vehicles. So, this is a timely Motion, Madam Speaker, and I am very happy to have been asked by the Mover to second the Motion.

Madam Speaker, there are many associated infractions that the Member is trying to bring in line when we speak to the Resolve section in the Motion that, **“Government considers amending the Development and Planning Law (2005 Revision)/Development and Planning Regulations (2006 Revision) to include Minimum Property Standards and the penalties for failing to adhere thereto.”** I believe that Minimum Property Standards (as he has been referring to) is a very good term for us to embed in our minds as a target for us to shoot towards.

Madam Speaker, after Hurricane Ivan, after all of the devastation (and we know how difficult it was for many individuals and companies to get life back to normal), we sort of got used to seeing un-repaired buildings and damaged vehicles all over the place. That went on for so long that I believe, in all honesty, people simply got used to that fact and did not see that these things were unsightly anymore. Fortunately,

not everybody saw it that way and many people began the cleanup process and started to complain.

So, while this may have led to a normal mindset of a lot of individuals, it cannot be tolerated. There are many of us who want to see the country cleaned up. The tourists/visitors that are coming in were not here for Hurricane Ivan. And the truth of the fact, is, Madam Speaker, that is an impression that we do not want them to have when they visit our country.

The process of cleaning up and bringing these properties back in line may be a bit expensive. However, nearly three years have passed since Hurricane Ivan. Property owners, Madam Speaker, while many of them may not be the wealthiest (as the Member who brought the Motion said) if a little had been done at a time, many of these properties could have been be in pristine condition today. But I think we look at it as a major problem, as a major expense, and we simply decide that we cannot afford it; it is too much to tackle, and we do nothing.

The other mindset on this is that Government is going to come in and clean it up when they get sick and tired of seeing it for so long.

I do not know how we came by this, Madam Speaker, but we have gotten to a stage in this country where we simply depend on government to do everything. We need to encourage our citizens to take on their responsibilities, to have civic pride and do something about their own living and working areas.

Madam Speaker, many areas that we are talking about . . . I accept that a lot of homes, in particular, that may have been rented and were damaged by the Hurricane (many commercial buildings as well), many of the owners live overseas. Some of them may not have even visited here since Hurricane Ivan. But let us also bear in mind that dilapidated buildings are not only due to Hurricane Ivan, there are many instances where buildings are abandoned. Some of them are destroyed by fire. Some buildings being constructed were simply abandoned and these all fall into that same area of dilapidated buildings.

The Mover of the Motion, Madam Speaker, spoke to liens on properties. [It was suggested] that when government moves in and decides to clean up properties, a lien can be put on those buildings. And, whenever the owners of the properties try to sell, at that point they could be made to pay government whatever was spent on the building. I agree 100 per cent.

I would like to go a little bit further and say that the lien should be put in the system in a way that, if the owner of that property decides to develop the property (maybe not sell it but seeks planning permission to do something else with the building) that it triggers the payment of that lien at the same time because sometimes properties are never sold, they are kept in families for hundreds of years. We need to make sure that government is compensated when they do have to move in and address these deplorable conditions.

Also, Madam Speaker, we believe that if government does spend funds on cleaning up a property and it takes 10, 15, maybe 20 years before something happens, before they can actually enforce the payment of that lien, we put something in there that considers inflation.

If government had those funds, for instance, in savings, the \$1,500 or \$1,000 that they paid now 10 or 15 years from now would be worth \$2,000 – \$2,500. We take that into consideration to give these individuals an incentive to pay what they owe government and if they leave it and let it sit there it is going to cost them more. So much so that if it is left for too long a period it might actually turn into government acquiring the property.

I think that this is the kind of legislation that we need to put in place to encourage people to not just leave it and figure that government is going to deal with it or, *'I will pay the couple of dollars that it cost government to clean it up ten years ago.'* So we are hoping that the Government will take considerations like that in mind when bringing the legislation back to clean this up.

Madam Speaker, there are many additional things that we need to consider. Illegal dumping is a part of this that I think we need to pay a lot of attention to because we penalise the landowners whenever we find garbage and anything of the sort, on their properties. But many times it is not the property owners that are in violation.

I had an occasion where we paid a company to clean up a piece of property that I have ownership in, and about a month after, a property owner called me and said that they found garbage with letter heads and so on from the company that I had ownership in.

Now, I am saying that you pay a company to do this and you expect that they will do the right thing. And when you really got into it you found out that even the owner of the company (who was not involved in the actual work) found out that his employee had taken a shortcut, unbeknownst to him, and dumped this garbage on somebody else's property.

[Inaudible interjection]

Mr. W. Alfonso Wright: *(In reply to an Hon. Member)* Exactly.

Madam Speaker, I am saying we have to take things like this into consideration when we put this in place properly because there will always be individuals who will take the shortcut and do things that are not right. But innocent individuals get blamed or otherwise penalised. So, I think that penalties for illegal dumping must be looked at and increased and a way found to have them enforced.

Madam Speaker, there are a lot of things that contribute to properties looking poorly and in dilapidated states and there are simple things, a lot of times, that we see that we may not consider to be a problem on the onset. But a simple thing like proper

garbage disposals at bus stops . . . a tremendous amount of people who use the bus stops to catch a bus while they are there are, either repacking their groceries or they have a soda or snack while they are sitting there, when they go to get on the bus they do not want to take those things with them and they simply leave it there. And a couple of things happen: the wind comes along and they are blown on somebody else's property, or animals come by because sometimes they leave food in bags and [so on]. So, little things like this are what I want to make sure that we make accompanying regulations that assist the whole programme.

Another suggestion, Madam Speaker, that comes from the Beautification Committee—and I know we all see this—many organisations erect banners and posters for upcoming functions or advertising something or the other. The event passes by and the banners and posters are still there. They stay there until they get beaten to shreds by the wind and they eventually may become loose and they blow on somebody else's property again. The thing is that things like these banners and posters are usually put in particular areas, so the adjoining properties are always in a bad state because the wind usually comes from one main direction. And you may see a piece of property that is continually dirty with garbage and so on, but it is not really the property owner's fault. It is because of all these things that continually happen.

So, I believe that while some of this may be considered cumbersome, I do think that we need to look at the whole picture and maybe put some sort of regulations in place as well to deal with these kinds of things.

Madam Speaker, contractors and developers, again, need to be reminded or encouraged to clean up their construction sites on a regular basis. Many times construction companies do not pay a lot of attention to how a site looks during construction. There are other companies who take a tremendous amount of pride in how their construction site looks, and this too has some effect on how we see our environment, how a particular area looks when you are building in an already developed area.

There may be construction going on between two lovely buildings or two lovely homes, but that construction site, in particular, is so awful-looking that it really makes the owners of the adjoining properties feel like they are living in a dump. Once boards, cans, bags of garbage, and so on, are thrown all over the place on these construction sites, Madam Speaker, they blow into other people's properties and the cycle continues.

I would like some form of regulations that are subject to regular inspections by the Planning Department when they visit these sites. It must also be kept in a very tidy way.

I do not want to move into territory that we should not be touching here, Madam Speaker, but other concerns are things like sandwich boards and

signs on sidewalks and that kind of thing. As recommended by the Beautification Committee, they continually block pedestrian traffic and so on. Also, some of these boards are of disposable material so it is not a board that the company has to go back out in the evening to collect. It is made up of material that they do not really care about so if the wind takes it away they do not really go and look for it, they make up another one tomorrow.

I am just bringing to everyone's attention that there are things like this that contribute to the overall problem that we are experiencing.

Public open spaces, Madam Speaker, another major concern for properties that are left uncared for, where a subdivision is developed and proper care and attention has not been taken with the assignment of the public open space and it is a further development. And because nobody in particular owns this piece of property it simply sits there in subdivisions. Most times it is an area that is right next to the main road and it is uncared for. Again, where we have the brush and the high trees, it is going to attract garbage and the likes. I also want this legislation to take into consideration that developers are made to be responsible for the upkeep of these public open spaces until they make other arrangements for them to be dealt with.

Madam Speaker, many of the properties, many of the buildings that we complain about may have been subject to some insurance claim. I say that for insurance policies that are written nowadays, it seems to be a very permanent feature that they include cleanup of properties. I say again, that is something that we need to bear in mind, that we at least know for certain that before the insurance claim can be properly settled, that government can make some provision, some way of knowing that at least part of that claim will immediately go towards the cleaning up of the property.

A lot of people have collected their insurance claims and simply walked away from their property and developed elsewhere, or simply spent the money on something else. They give you the impression that, *'Well, you know, I did not get any insurance money' or 'I cannot really afford it'* but the truth is that they really collected. I am not sure if the old policies had that provision, that a part of the proceeds went towards cleanup. I know that it is now taken into consideration but, again, I think we need to find some way of enforcing that the money intended to clean up actually goes to the cleanup of the property.

Madam Speaker, another issue that I would like to highlight is that I have had many occasions where I have had to speak to agencies about removal of vehicles from people's properties. Now, this is a major problem in that many derelict vehicles that we see parked on private property the owners of the property know absolutely nothing about. They gave no one permission to put these vehicles there, but it was simply because it was convenient to them or it may have been close to somebody's home. And we know

how it happens. It is like a magnet. If you put one vehicle there, in a couple of weeks you are going to see ten more because people believe, *'Oh, this is what this piece of property is for.'*

One of the difficulties that the Department of Environment has with this, Madam Speaker, is that for most of these vehicles the plates have been turned in and they say that they have no way of knowing who the vehicles are for. It is really unfair to penalise the landowner when they had nothing to do with putting the vehicles there. But through the Vehicle Licensing Department VIN numbers are compulsory when you are registering a vehicle.

Now, I do not know what happens with this information once you turn in plates and say the vehicle is now off road, but I do believe that they should be able to capture who at least was the last owner of that vehicle and track people down in that fashion. But I believe that we need to look at that because that is a major, major problem. And I do not believe that government should be saddled with the costs of having to remove those vehicles because people simply do not care. They understand that government cannot fine them if the vehicle does not have a licence plate on it and that nobody is going to come looking for them so they simply do not care.

They do this in areas where you do not realise that it is happening for a couple of weeks, a couple of months. A lot of property owners have expressed a lot of frustration with having to deal with the Department expecting them to pay to have the vehicles removed. A lot of these properties, Madam Speaker, are not something that the owners visit on a regular basis so you can have a piece of land that is vacant that you are not using. You do not visit there for a couple of months and when you go back you find six, seven derelict vehicles on it.

Also, Madam Speaker, I think that in taking that into consideration, we need to make sure that individuals who do this—who deliberately put vehicles like this on people's property without their permission—must be made to pay. We must find a way to penalise them as well.

The Mover of the Motion did speak about the change of use of properties, especially in residential areas, where, all of a sudden, you have one piece of heavy equipment parked. You may complain about it and you get told, *'Well, I am just parking a dump truck here because, you know, I do not really have anywhere else to put it and I am not going to be a nuisance to you.'* But then that one vehicle turns into two and then in another couple of weeks you see a backhoe come in and then you see a bulldozer of some sort come in.

Before you know it, some of the vehicles now need repairs and they begin to repair them right there. Before you can ask *who did it?*, a full-blown garage is developed. There are 5 or 10 individuals working on this piece of property on a daily basis. They are starting up this heavy equipment at five or six o'clock in

the morning. Then they are embedded and you are then told when you complain that you are jeopardising somebody's livelihood because that is how they make their living.

While this legislation, Madam Speaker, is not intended to make a hardship for anybody, we must understand that life is not like that and a residential area is just that—a residential area—and we need to do our best to make sure that it is maintained as that.

What needs to happen here is that it is dealt with immediately. We leave it for too long. These agencies do not have the power (I am simply going to assume) and they cannot do anything about it for a couple of months because of the process that they have to go through. We need to make this legislation so that this can be acted upon immediately. The truth is, if you do allow a heavy equipment operator or a garage owner to invest over time in a piece of property that maybe was not intended for that use, but you leave him there for a few years and then his whole world is surrounded with that piece of property being his source of income, there will be some hardships that individual will experience.

So, Madam Speaker, I think the idea here is to ensure that we nip it in the bud—we do not allow it to fester, we do not allow it to take root. So, I am hoping, again, that all this will be taken into consideration.

There are many areas, Madam Speaker, and there are times, I know, when individuals do have to use properties and they may get permission for a period of time to do certain things. But even if people would be made to keep the properties tidy, to keep them in shape—sometimes even a piece of fencing around the property so that the general public is not exposed to the unsightly interior—that could be tolerated at times.

Another thing that we experience, especially with derelict vehicles, is rodents. That is an ideal breeding ground for rats, also for roaches and so on. So, we do need to make some effort to make sure that we stop this from happening.

Another thing, Madam Speaker, that we take for granted that we see all the time—I know when I see it, it always bothers me, but we sometimes think it trivial and we just wonder why people do it—is a landscaping or yard maintenance company, whether it is for a home or a business. When they finish raking a yard they take their blowers and they blow the debris into the road. So, where does it end up? Again on somebody else's property. They should be picking this stuff up but they simply take the blowers—and sometimes you have to stop for them because they stand up in the middle of the road and do it. I am just saying that, again, a small matter; but it makes a big difference at the end of the day. It is things like this that I want us to take into consideration when we bring this amending legislation.

The Speaker: Honourable Member, is this a convenient time to take the luncheon break as there is a

presentation by the Honourable Minister of Labour at 1.30?

Mr. W. Alfonso Wright: Madam Speaker, I will close. *[Inaudible interjections]*

Mr. W. Alfonso Wright: I will conclude my debate now and only encourage other Members to please make their voices known and to support this Motion.

The Speaker: Proceedings will be suspended until 2.30 and I remind all Members of the presentation by the Honourable Minister at 1.30 in the Committee Room.

Proceedings suspended at 12.40 pm

Proceedings resumed at 2.46 pm

The Speaker: Proceedings are resumed.

Debate continuing on Private Member's Motion No. 5/06-07. 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.

I rise to support the Motion which was brought by my colleague, the Third Elected Member for Bodden Town.

Madam Speaker, this Motion is timely; it is important. The Motion is about a quality of life in the Cayman Islands. A quality of life that people who came here first were enamoured with: a clean, well-put-together country; clean roads; clean yards; tidy people. Basically, that is what it is: people who respected laws. So, that is the quality of life that I am speaking about.

And here we have people (not to defame any particular person that comes to our country) who have different living standards from us. I am very much experiencing that in travelling every day, trying to get people to put the refuse inside of the containers, not to put the debris around the place, to treat the place as if human beings are living here.

But by extension, I think the Third Elected Member for Bodden Town's Motion is more about the whole question of buildings. That again, Madam Speaker, is about our quality of life and the social agenda that we are going to set in terms of improving this country.

One of the things that I admire about Cayman is that it has high standards, very high in comparison to when I travel elsewhere, whether it is a developed country or it is a lesser developed country. The people, regardless of being poor, still aspire to high quality things. And that is great. But then there are some who feel that, you know, it is government that is going

to do this. Government must clean it up. Government must paint it up. Government must fix it.

But what we have to do is the whole capacity of community-building and the Third Elected Member for Bodden Town spoke about the buildings that we need to have repaired. What we need to do in terms of all the things that he has said is to make people see that all that the Government is doing is improving the quality of life of people.

Madam Speaker, my brief comment is that in this honourable House is where the destiny of our people is dictated. Therefore, the quality of life of our people is very important. Quality of life is next to godliness. Therefore, we have to support the Motion. We have to ensure that the Motion, by extension, is elaborated and gets into the various Bills, or they can make regulations.

So, I stand here and thank my esteemed colleague, the Third Elected Member for Bodden Town, who aptly delivered the Motion very well.

Thank you.

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

Second Elected Member for the district of West Bay.

Rolston M. Anglin: Thank you, Madam Speaker.

Mr. Rolston M. Anglin: Madam Speaker, I rise to make a few brief observations on the Motion. I will follow the example of the honourable Third Elected Member for George Town as she was extremely brief.

Madam Speaker, the Motion calls for Minimum Property Standards and penalties for failing to adhere thereto. It anticipates that the Planning Laws of the country would be those affected and contain such provisions.

Now, Madam Speaker, when I think of properties I like to try to segregate in my mind raw land and dwellings for humans, whether it be apartments, homes or multiple dwellings (that is, a duplex or more). And then I also like to think about the fact that we have had developed in the communities other activities that are well within residential areas because those activities, from my short time as a legislator, have caused there to be much concern and much complaints.

For example, Madam Speaker, in my district there has been the establishment of businesses like horse riding facilities and businesses that have developed in residential areas right next to people's homes, next to people's apartments. Certainly, from the complaints of the residents in those areas, the standards to which those establishments are allowed to hold are not standards that are within keeping of "good, adequate or suitable quality of life" to the residents around us. I know the argument that has always been made in this country is: *'Oh, if I have been here for a long period of time then I should simply be grandfathered*

in and allowed to continue doing what I have been doing because I have been doing it for 5, 10 years' whatever the period of time.

I think we have to be careful and ensure that within communities that, firstly, we are not overly aggressive in that area, because I do believe there are some types of businesses that have been in certain areas that would be very difficult for Government to justify having very stringent policies put in place for. If we try to please every resident it could very well cause some activities to no longer exist in those areas. At the same time we do not need to be so liberal as to simply allow for the cries of residents in some areas to fall on deaf ears as they have over the last good while when it relates to certain activities that have been allowed to develop.

Madam Speaker, when we look at vacant lots, undeveloped land, the Members who have debated thus far have touched on the whole issue of illegal dumping. The one thing that has always jumped into my mind, and caused me to think while I heard the debate going on is what happens when the materials that are on someone's land have been placed there by someone else and you cannot trace who dumped it.

Within my district we have a lot of dykes and swamp land and, for whatever reason, despite the pleas of administration after administration—despite the fact that government has annually offered free pickup of large bulk items from persons' residences—we still have people who will dump sofas, mattresses and white goods (refrigerators, stoves, et cetera) in areas that they know people will not be when they go to do it and will feel very comfortable. For example, the Head of Barkers is not as bad as it used to be, but when you go up there you still find things like household objects that you know should not be there.

So, when that is found, I presume that the Mover of the Motion is anticipating that there will be some cost attached to Government, because it may not be fair or equitable to ask a private landowner, or demand upon a private landowner, to be responsible to clean up stuff that has been dumped on his property. A lot of times he has no knowledge of it.

So, I say that, certainly, it would be difficult for us as legislators to say to private landowners, *'Look, we are going to craft a piece of legislation and irrespective of whether or not you know who has placed it there, once it is on your property you ultimately will have to be responsible and will have to pay the cost for removal.'* I do not think that would be fair; I do not think that would be equitable.

Now, Madam Speaker, when the Members spoke to the whole issue of rundown homes, this has been a frustrating area because, on the one hand, you hear about certain buildings in particular districts being demolished by planning. Yet, you have situations in your own district where you contact the officials (the relevant parties), where there are legitimate complaints from neighbours, where there are buildings

that have been vacated by their owners and they are being used for illegal purposes like drug activity. Despite the fact that you are a legislator, and despite the fact that you have attempted time after time to get something done about it, the buildings are still there.

Just in that vein alone, I would suggest that there is scope for improvement of the mechanism for the country to be able to rid itself of some of these undesirable locations that are serving no positive purpose. Those buildings are sitting there and all they are doing are creating nuisances, harbouring illegal activity and causing people's quality of life to be deteriorated.

Now, the question becomes in those instances, once again: Do we force the landowners to be the ones that have to sometimes, for example, demolish a building and remove all of the waste? While anyone that has known the position that I take, I have always been one who tries to put as much responsibility on the citizens as possible. That is how we mature as a country. That is how we mature as communities. However, there are some instances where Central Government still will need to step up to the plate and take care of some problems. That could very well be one.

Of course I think (as is with most of these things) that you have to look at things on a case-by-case basis and you have to be reasonable. I am confident that whatever comes forward will not be overly aggressive, but will provide the type of flexibility you need, at the end of the day, to get the job done.

You know, none of us would want to have our home next to an abandoned house and in the middle of the night see people conducting undesirable activities. And that is the truth of what has happened all too often within the districts. That has happened. All of us have had those complaints so we know there are legitimate concerns out there.

One of the things, though, Madam Speaker, that I think is important is, if we are going down this path Central Government has to lead by example and so Government needs to ensure that the buildings and the property it owns be maintained in these minimum standards. If Government is not going to lead by example, then I say let us just leave the whole situation as it is.

Government has to lead by example. I have become aware of different properties that Government has come into possession of and they have become very rundown by, I think, any reasonable person's standards. But they still are in those conditions.

We also have had, and still have, some government departments that have been forced to be accommodated in some buildings that do not meet, I believe, what would be our minimum standards if each of us were to be truthful. This is not the forum to speak to those specific instances, but I think most of us here who have been here a while know some of the buildings and some of the cases that I am speaking to.

Now, one of the things that I would like to say is that, obviously, along with this exercise we will need to look at the other pieces of legislation that are impacted, [for instance], the Public Health Law. As it stands, there is legislation to deal with persons who have raw land, or buildings that do fall into unsanitary conditions. Yes, the argument can be made in some instances, that unsanitary condition may not get to the level that forces or causes the legal infrastructure of the country to deal with the specific problem adequately, and this is what this Motion, as I understand it, is trying to address. It is trying to fill those gaps, plug those leaks and make sure that we are comprehensive in the approach.

All I am saying is that during this review (and this is something I expect to be done in any event but I do flag it up), whatever the exercise taking place here, we are going to look at the other pieces of legislation and tidy them up. [We need to] make sure that we do not have a situation where Planning then has certain powers that run slightly contrary to powers that, perhaps, the Department of Environmental Health may have. Make sure that all of it dovetails quite nicely and works together. We do know that, currently, a person can make a complaint, and once a cause is found the Department of Environmental Health can issue abatement notices against property owners and force them to do something.

Now, one of the things that I think needs to happen is to have that process, or that type of process, tightened up so that it is not so cumbersome and it does not take so long for things to happen. But, at the same time, give enough time so that landowners/property owners are given a fair opportunity to rectify whatever the issue may be.

Now, Madam Speaker, absentee landlords—that is, persons who own raw land or dwelling places or office buildings who do not reside on the Island and who may not have an agent on the Island who is easily contactable—does, itself, cause yet another source of frustration. And one of the things that I would suggest on that point is that we try to ensure that we cover that gap as much as possible, especially when it comes to raw land. What I have found in my district (and I am sure everybody else has found) is that dense vegetation also harbours certain types of illegal activity and drug activity.

So, while I understand that clearing it out in some fashion is not the solution, the bottom line is we do need to provide as great a quality of life for our residents as possible. Nobody would like to have that type of activity happening next to his home simply because the empty lot next door is owned by someone who resides outside the country and, for whatever reason we cannot get in contact with them to have the land cleared so that at least you do not have something right at your door mouth.

Madam Speaker, we do need to, as I said, make sure that we balance this issue as equitably as we can and, on the one hand not be overly zealous

and cause there to be more problems than we may anticipate right now, but at the same time we need to ensure that whatever we do has enough teeth that it causes to happen what is considered fair and equitable to the ordinary person, to a reasonable person.

So, I believe that given the state of affairs as most of us have experienced it in our various districts, we know that this is something that is necessary and it is a first step. So, we do need to act and we need to get something done. We might not necessarily get it all right at the first attempt. Often times in life that is not the case but we have to start.

To pick up very briefly on one of the points raised by the Fourth Elected Member for George Town—this whole issue of standards and the lowering of standards since Hurricane Ivan—I think all of us are frustrated in that vein. There were certain things that just never happened in Cayman. However, since Hurricane Ivan, because of the devastation that was caused, we still have too many instances of buildings and vehicles simply being left anywhere that people please without resolution to those specific cases despite the cries and the pleas of residents in those areas.

We do need to address that and just ensure that we do get back to the standards that we had set in Cayman and ensure that those standards are maintained, because it affects everything, not only residents or quality of life, but it impacts upon our tourism product and we know the competition and the challenges we face in that arena. We do need to underscore the point, though. Government with its facilities and properties needs to make sure that a cold look is taken—a hard, fresh look is taken at its own facilities.

I beg to say that if we drive around and we look at some of the government properties (and I am even talking about places like the Dixie Cemetery in George Town) if we know how many tourists walk across there off the cruise ships, go in sometimes—and the truth is we have seen it year after year—when we really take a fresh look at it I do not think it meets any standard that any of us would agree is the standard that we want to reflect in Cayman.

We are supposed to be a prime jurisdiction for tourism. We are supposed to be targeting the upscale market. I am not sure that with the state of many properties along that corridor that we are going to be able to do it.

Right now we have a construction site (one of the Members spoke of construction sites) going on where people have to step off the sidewalk and, basically, skirt the edge of the road to get around it, just on the Seven Mile Beach Road. And I see stay over tourists having to do that day after day as I drive to and fro on that road. And those are the small things that the Movers of this Motion have alluded to that I think are of critical importance to make sure we do a better job in the future. We have to understand that we need to, day by day, make sure that the country remains competitive in tourism and the country puts forward the

image that is required and necessary for us to maintain and enhance the position that we already have in the marketplace.

Madam Speaker, with those few remarks I now look forward to hearing the remainder of the debate.

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

[Inaudible interjection]

The Speaker: If no other Member—
Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker.

Madam Speaker, I was not testing your patience then, I was just giving other Members an opportunity to rise to support the Motion. I am so very glad to hear that the Opposition sees fit to support the Motion, at least one of them. I suspect that that might be unanimous.

In responding on behalf of the Government, Madam Speaker, let me, first of all say, that the Motion itself—which asks for us to consider amending the Development and Planning Law (2005 Revision) and also the Development and Planning Regulations (2006 Revision) “**to include Minimum Property Standards and the penalties for failing to adhere thereto**”—is one that the Government is quite happy to accept.

Madam Speaker, in accepting the Motion let me, first of all, say that it is obvious from the debate that has gone on and the contributions made by individual Members (not only the Mover and the Seconder but others) that while the Motion itself speaks to specific areas, many salient points have been brought to the floor which extend beyond what the Motion is actually calling for. And I think, Madam Speaker, that it behooves us to widen the scope of the look-see on the part of the Government with regard to accepting a Motion.

Madam Speaker, to give a short history, I first of all have to say that while section 27 of the Development and Planning Law that was quoted, it is one which nowhere near actually copes with the difficulties that were pointed out. I just need, for everyone’s information, to refer to the Development and Planning Law (2005 Revision) Building Code Regulations (2006 Revision).

Madam Speaker, with your permission I just want to read a few sections.

The Speaker: Proceed.

Hon. D. Kurt Tibbetts: Thank you.

In its first Schedule—that is, Madam Speaker, the Building Code Regulations (2006 Revision)—it speaks to repealing the old section 103.5 and substi-

tuting a new section 103.5 with marginal notes of conditions. It reads: **“Section 103.5 Conditions. Structures or existing equipment that are or hereafter become unsafe, insanitary or deficient because of inadequate means of egress facilities, inadequate light and ventilation, or which constitute a fire hazard, or are otherwise dangerous to human life or the public welfare, or that involve illegal or improper occupancy or inadequate maintenance, shall be deemed an unsafe condition. Unsafe structures shall be taken down and removed or made safe, as the building official deems necessary and as provided for in this section. A vacant structure that is not secured against entry shall be deemed unsafe.**

“103.5a Record. The building official shall cause a report to be filed on an unsafe condition. The report shall state the occupancy of the structure and the nature of the unsafe condition.

“103.5b Notice. If an unsafe condition is found, the building official shall serve on the owner, agent or person in control of the structure, a written notice that describes the condition deemed unsafe and specifies the required repairs or improvements to be made to abate the unsafe condition, or that requires the unsafe structure to be demolished within a stipulated time. Such notice shall require the person thus notified to declare immediately to the building official acceptance or rejection of the terms of the notice.

“103.5c Method of service. Such notice shall be deemed properly served if a copy thereof is –

- (a) delivered to the owner personally;**
- (b) sent by certified or registered mail addressed to the owner at the last known address with the return receipt requested; or**
- (c) delivered in any other manner as prescribed by the Development and Planning Law (2005 Revision).**

“If the certified or registered letter is returned showing that the letter was not delivered, a copy thereof shall be posted in a conspicuous place in or about the structure affected by such notice. Service of such notice in the foregoing manner upon the owner’s agent or upon the person responsible for the structure shall constitute service of notice upon the owner.

“103.5d Restoration. The structure or equipment determined to be unsafe by the building official is permitted to be restored to a safe condition. To the extent that repairs, alterations or additions are made or a change of occupancy occurs during the restoration of the structure, such repairs, alterations, additions or change of occupancy shall comply with the requirements of section 104.14 and Chapter 34”

Madam Speaker, I could go on further but I just wish for Members to know that outside of the Development and Planning Law, itself, in the Building Code Regulations there is a section which speaks to dealing with unsafe structures. But, Madam Speaker, nevertheless, in pointing this out I wish not for it to seem like I attempt to speak to the redundancy of the Motion. I simply want to say that outside of the Development and Planning Law itself, in the Building Code Regulations there are certain sections which stipulate courses of action.

Notwithstanding all of that, Madam Speaker, if we look to what obtains presently it is obvious that, for many reasons, there is no real inclination to go to the extreme. We have circumstances where when individuals are faced with certain situations they either know someone that they go and make their cries for pleas of leniency, or they actually come to their representatives for them to do something about it, and it creates a difficult circumstance.

I believe what has to be done is it has to be looked at for the general good. There really are things that need to be done specifically now, some of those things being what the Motion calls for, others being salient points that have been introduced in the debate.

As a matter of history also, Madam Speaker (it does not end there with the Building Code Regulations) the fact is that, especially after Hurricane Ivan, there were many structures left that, shall I say, their condition was structurally unsound and perhaps in disrepair. In an effort to deal effectively with this situation (which, incidentally, included motor vehicles) a committee was appointed. This was sometime after September 2004. I think it was some months after September 2004. And by the way, just to let you know, my discovery of all of this is just as a result of the Motion because I just did not know anything had occurred.

A committee was appointed (comprised of representatives from all relevant agencies) to formulate draft, primary and secondary legislation for consideration by the Cabinet. A draft bill for proposal of derelict vehicles was prepared, but it has not been brought to the Cabinet yet.

Now, the Building Code Regulations were amended and that is what I quoted earlier on, Madam Speaker. They were amended to allow for structures or existing equipment that is considered unsafe to either be made safe or demolished and those regulations are now in effect.

But, Madam Speaker, this committee that I speak about actually had draft bills: a bill for a law to provide for the disposal of derelict vehicles and to make provisions for incidental and connected areas; a bill for a law to amend the litter law for the purpose of changing the definition of derelict vehicle; and it even drafted the derelict vehicle’s regulations. And, Madam Speaker, part of its remit was looking at Property Standards.

The Mover of the Motion, the Third Elected Member for Bodden Town, made reference to Property Standards laws in Florida. I do not know it to be a fact but I am sure that this committee had the advantage of having sight of that if they so desired. But also I see where there were copies of Property Standards bylaws from the City of Sault Ste. Marie in Canada. So, I only say that work had been done in this regard but somewhere along the line, for whatever reason (and I do not know the answers), it went a certain distance and then everything else was shelved.

But, Madam Speaker, the point in saying that is that we are not starting from scratch with it. And this is the good news. I am certain that we will take the *Hansards* now from the debate, along with everything else that had been done prior to this, and we will look to be dealing with the matter in a holistic manner.

For instance, Madam Speaker (a separate issue but far from unrelated), you perhaps (and I am sure others) will have heard us make public utterances about existing land for public purposes and parcels that are zoned, public open space presently in subdivisions and other developments. While those parcels, in most instances, are still in the names of either companies, which may over the years have been struck off or individual developers, the parcels lay there; no one does anything with them and they are some of the unsightly creatures that we have heard of in the debate on this Motion.

We have said that we need to be looking very carefully because the parcels cannot be developed as they are because as part of planning permission a percentage of the property is allocated as either public open space or land for public purposes and it cannot be developed. But what we have said is that we need to be looking at these parcels with a view to, perhaps, allowing them to be developed, government acquiring whatever value the property holds today, pooling those financial resources together, looking to acquire larger areas and making parks that would serve larger areas and sub-districts where there would be no other opportunity for that to happen. Some of the parcels that are either public open space or land for public purposes may well be big enough that the Government can develop without disposing of them, and that is what we have to look and see which is being done as we speak.

Moving on to the other thought, Madam Speaker, there is the new unit which the Minister of Communication, Works and Infrastructure has started up under his ministry — beaches, parks, recreation and cemeteries which includes all of the above.

And, Madam Speaker, we have not had a dedicated unit prior to this. Certainly, I know in the coming months we are going to see a tremendous difference in the way the beaches, the public launching ramps, the cemeteries and the various parks and all of those public properties are kept. It will also give the opportunity for many areas that are now undeveloped to be developed, and it is the intention and a

policy of this Government to look at these properties very carefully and to decide via whatever legislation is necessary to make the best use of it that will serve the public.

So, those two, Madam Speaker, as I said, while they are separate issues they are directly related to what the Motion is calling for because that, in itself, will be a great relief for many of the areas that are now either unsightly or unsafe or harbouring unsavoury characters, not just humans but animals or whatever else.

So, we are going to be looking holistically at the whole affair, Madam Speaker. Certainly, we would wish to dedicate a team to bring our report, perhaps, back within 90 days. We are going to be using the policy analysts in the Cabinet office to do whatever other research we need to have done, gather all the information that is already available to us and come back with a plan of action which would include whatever necessary legislation has to be amended and whatever policy decisions have to be made in order to be effective in all the different areas that the Motion speaks to.

Madam Speaker, the Government is quite happy, as I said to accept the Motion, and certainly, we look forward to working with all Members throughout all of the districts in order to ensure that we make a very positive change in this area and sort of bring back that feel-good feeling within the various neighbourhoods and elsewhere as we are used to in the Cayman Islands.

Thank you.

The Speaker: Does any other Member wish to speak? *[pause]* Does any other Member wish to speak? *[pause]* If no other Member wishes to speak, does the Mover of the Motion wish to exercise his right of reply?

Third Elected Member for the district of Bodden Town.

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

I would like to thank all honourable Members of this honourable House who stood up and lent their support to this Private Member's Motion today. Particularly, I would like to thank my colleague, the Fourth Elected Member for George Town, for seconding the Motion and thank the Minister of Planning, whose responsibility this is, for his support from the Government's side.

Madam Speaker, one of the things that I omitted in my earlier contribution was the fact that we do have a hardworking National Beautification Committee and I would like to join with the Fourth Elected Member for George Town in applauding them for their efforts to date and bringing a lot of the instances that we talk about to our attention. I thank them certainly for all of their hard work and I hope they continue to work to

make Cayman look a lot better than it does at the moment.

I would just like to recap, Madam Speaker, briefly, the fact that the four main areas that we are talking to are: derelict buildings, derelict vehicles, vegetation growth, and, in some cases, the wrong use of land.

The contributions today have been very enlightening and I am glad that different perspectives were shown apart from my own contribution. That was the whole idea. I was hoping that people would get up and contribute and we could talk about this because, at the end of the day, Madam Speaker, this has to be a full action, a full support of this honourable House for us to progress and get the results that we want.

One of the areas that Members had some concern in (in particular, the Second Elected Member for West Bay) was illegal dumping on third party's land. I shared this concern in my debate as well and I think if I just may be so bold as to suggest at this time that maybe one of the ways that we can help to mitigate this is to ask the Department of Environmental Health if they could more strategically place large skiffs in certain areas.

I know this may be a cost to Government. Yes, it will be because we have to find the skiffs and we have to place them and we have to collect them, but certainly, we do not expect people to put cars on them. I do not think they have that ability.

But a lot of the dumping of the refrigerators, the stoves, the white goods that we see in the trash, maybe if we took the time to put a skiff in an area that is not that frequently travelled we would hopefully mitigate some of the dumping that we find.

And also, in some cases, we can understand people who do not have the means to really—not that we condone what they are doing, but some people lack the means either physical or monetary wise to get stuff to the dump and we find that they take the short cut and the easy route. If we can maybe place more skiffs around it will be helpful, so I will just throw that out and I am sure the Minister will take note of that suggestion.

Madam Speaker, we also have the whole issue of articles of subdivisions. A lot of subdivisions that are built do have these articles. A lot of times we find that they are not registered articles. Having said that, the fact that they are registered often times does not mean too much either because things still seem to get out of hand. But at least if we could encourage all developers to ensure that articles of subdivisions of new residential subdivisions are registered, the residences within those subdivisions—a lot of times too residents, I am sure, do not even understand what articles are. They do not understand their rights under them, and maybe that area is an area that we could work on to improve the way our communities function and work towards helping one another.

Madam Speaker, the Leader of Government Business and the Second Elected Member for West

Bay both spoke to the fact that the actions of the authorities, in some cases (I guess for want of a better word) are a bit inconsistent. The fact is we do have certain provisions under the Law and I was aware of section 103.5 of the Building Code, but I deliberately did not go to it because I did not have enough information. But I am glad that the Leader of Government Business brought that up.

You are mystified sometimes as to why, on one hand things get done, and on the other hand they do not. I think that is an area, certainly, that we need to be more consistent with the way we deal with these properties going forward.

Certainly, Minimum Property Standards are far reaching and wide encompassing. I mentioned some things when I quoted from the Florida draft that I had, but there are things such as the height of vegetation. You look in there and you see they even go so far as to say where your garage is being used to store goods rather than store a vehicle you keep the door closed. So, that is how detailed these regulations or standards can be. We can make them as tight or as loose as we wish. I certainly hope that we make them suitable to our Cayman environment.

Madam Speaker, just before I close I am so happy to hear the Leader of Government Business, the Minister of Planning, say that he would like to see a 90-day report because there has been some work in this area before. Often times we get up here and we beat up our gums and the truth is nothing gets done. We have seen Private Members' Motions come and fall away over the years. I am not going to allow this one to fall away. I am going to pound this one. My colleague from Bodden Town always says that when I get on something I can be like a little pit bull. So, I am going to keep at this one because it is important that this country is cleaned up and looks the part that we say we are.

Madam Speaker, with that I close my summation and I thank all honourable Members in this honourable House for their support.

Thank you.

The Speaker: The question is: BE IT NOW THEREFORE RESOLVED THAT the Government considers amending the Development and Planning Law (2005 Revision)/Development and Planning Regulations (2006 Revision) to include Minimum Property Standards and the penalties for failing to adhere thereto.

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

Ayes.

The Speaker: The Ayes have it. Private Member's Motion No. 5/06-07 is duly passed.

Agreed. Private Member's Motion No. 5/06-07 passed.

The Speaker: That completes the Order of Business for the day. But before I ask for the motion for the adjournment I would like to remind Members of the CPA Annual General Meeting to be held at 5 pm this evening, and also the presentation by the Minister of Education at 2 pm on 7 March. If Members are not going to be able to attend that presentation, could you please inform a member of staff here so that we do not make preparations and at the end of the day the presentation cannot be held?

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, just to inform Members (and I crave your indulgence just for a second) the business left to be completed during this Meeting are the following Bills: the National Archive and Public Records Bill, 2007; the Local Companies Control (Amendment) Bill, 2007; the Builders Bill, 2007; and also the Immigration (Amendment) Bill, 2007, which has been sent out today.

Madam Speaker, due to the other activities of Ministers and other Members, and in order to give time for the 21 days to pass with all of the rest of the Bills—even if we might not quite make it with the Immigration (Amendment) Bill—we plan to resume on Thursday, 22 March. Also at that point in time (and very important to do so), the Honourable Minister of Tourism will be tabling a draft discussion copy of the National Conservation Bill which will be seeking input similarly as the Minister of Health has tabled his Tobacco Bill.

So, Madam Speaker, I just let Members know up front that we want to resume on Thursday, 22 March and, quite possibly, we will either be able to finish the meeting by that day or by the following day depending on the length of debate.

So, Madam Speaker, I beg to move the adjournment of this honourable Legislative Assembly until Thursday, 22 March at 10 am.

The Speaker: The question is that this honourable House do now adjourn until Thursday, 22 March at 10 am.

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

Ayes.

The Speaker: The Ayes have it. This honourable House now stands adjourned until 10 am Thursday, 22 March.

At 3.43 pm the House stood adjourned until 10 am Thursday 22 March 2007.

OFFICIAL HANSARD REPORT
THURSDAY
22 MARCH 2007
10.30 AM
Second Sitting

The Speaker: I will ask the Honourable Leader of the Opposition and First Elected Member for the district of West Bay to say Prayers.

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.

And now Father, too, as we approach Easter we call to mind that You sent Your Son for a purpose, that we might have everlasting life. We thank You that He walked on earth. We thank You that He performed miracles, that He healed the sick, He caused the blind to see, He made the crippled to walk and He raised the dead. But because of jealousy He was beaten and for our iniquities He was crucified.

But we thank You for Your plan of salvation that He rose on the third day triumphantly and we can say, O death, where is thy sting? O grave, where is thy victory?

Thank you, O Lord, for all of our people, for all who work on the streets, in the shops. We thank You, O Lord, for all those of our elderly people who made this country possible for us. We ask that You would ever continue to bless them. And we pray for our young people, Lord, that peace, happiness and understanding will be amongst us and them.

Now, Lord, we pray for continued knowledge of salvation and we do indeed pray for the Commonwealth, that they, too, will understand that there is a risen Lord.

For all of this we thank You and we ask You to remember our supplications.

Let us then 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 and Amen.

The Speaker: Please be seated. Proceedings are resumed.

Proceedings resumed at 10.35 am

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

Apologies

The Speaker: I have received apologies for absence from the Second Elected Member for the district of Cayman Brac and Little Cayman, who is overseas with his mother.

**PRESENTATION OF PAPERS
AND OF REPORTS**

**Report of the Standing Business Committee for
the Third Meeting of the 2006/2007 Session of the
Legislative Assembly**

The Speaker: I recognise the Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, I beg to lay on the Table of this honourable House the Report of the Standing Business Committee for the Third Meeting of the 2006/2007 Session of the Legislative Assembly.

The Speaker: So ordered.

Does the Honourable Member wish to speak thereto?

Madam Clerk.

National Conservation Bill, 2007
(Discussion Paper)

The Speaker: I recognise 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 National Conservation Bill, 2007 as a Discussion Paper.

Thank you, Madam Speaker.

The Speaker: So ordered.

Does the Honourable Minister wish to speak thereto?

Hon. Charles E. Clifford: Yes, thank you, Madam Speaker.

Today I have tabled a copy of the draft National Conservation legislation which, when passed into law, will replace the Marine Conservation Law (1995 Revision) and sections 66 to 79 of the Animals Law (1998 Revision) thus providing the legal framework within which environmental matters in the Cayman Islands will be managed and regulated in the future. This draft legislation is being tabled as a White Paper for public consultation and discussion.

Existing environmental legislation in the Cayman Islands is outdated—dating back to 1978 in the case of the Marine Conservation Law and 1976 in the case of the Animals Law—and simply does not provide the necessary regulatory framework to adequately address current environmental issues.

It is now necessary, Madam Speaker, for the country to enact progressive comprehensive legislation in order to meet the variety of challenges posed by emerging environmental issues at both a local and global level.

Madam Speaker, a comprehensive updating of the Cayman Islands environmental legislation is also required to help ensure that Cayman complies with its treaty obligations under a number of international conservation agreements to which we are a party.

In addition, the environmental charter between the UK and its Overseas Territories commits the Cayman Islands to a number of actions which will require legislative change including:

- 1) Ensuring the protection and restoration of key habitats, species and landscape features through legislation and appropriate management structures and mechanisms;
- 2) Ensuring that environmental considerations are integrated into social and economic planning processes;

- 3) Undertaking environmental impact assessments before approving major projects, ensuring that the process includes consultation with stakeholders;

- 4) Implementing effectively obligations under the multilateral environmental agreements already extended to the Cayman Islands and working toward the extension of other relevant agreements.

Madam Speaker, key elements of the legislation include the establishment of a National Conservation Council which shall be responsible for the proper administration of the Law and shall exercise the powers and duties imposed by the Law. The Council will consist of representatives of various government agencies, private sector, organisations and members of the public.

The Law makes provisions, Madam Speaker, for the Governor in Cabinet to give directions to the Council from time to time. The Law recognises the Department of Environment and charges the department with carrying out a number of tasks, including research and monitoring of the natural environment and resources and identification and management of protected areas and species.

The Law also requires the Department of Environment (DoE) to advise the Council on scientific and technical matters and to enforce the provisions of the Law. The DoE enforcement officers will be referred to as “conservation officers” and their powers and authorities will be prescribed in law.

I just want to pause here to say that in re-reading the draft bill last night I noted in clause 23(1) that there is in fact an error. It says in that clause, **“The Governor in Cabinet may appoint conservation officers for the purpose of carrying out and enforcing the provisions of this Law.”** Clearly, Madam Speaker, Cabinet does not appoint civil servants, so that is an error and it will be corrected in due course so that it is in compliance with the new personnel management regime in the government service.

The new Law also provides mechanisms for the nomination, designation and management of protected areas and species and introduces regulatory procedures for the introduction of non-indigenous or genetically altered species of plants and animals. In accordance with existing commitments under the environmental charter, as well as under a number of multilateral environmental agreements, this new legislation outlines the requirement for environmental impact assessments to be carried out under certain conditions in order to ensure that the environmental consequences of all major projects and plans are fully examined before their execution is authorised.

Madam Speaker, it is important to understand that environmental impact assessments do not make decisions but are in fact decision-making tools which

attempt to set out the possible impacts from proposed projects in as clear and objective a way as possible and “include” means to minimise or mitigate for unavoidable adverse impacts. A clear, transparent and unambiguous process which ensures that all developments are assessed against the same criteria is much desired by both developers and regulatory agencies. This provision, Madam Speaker, will bring the Cayman Islands in line with the majority of countries in the region and indeed in the world.

The Law also provides for the establishment of a Conservation Fund to be used for the acquisition and management of the protected areas and protected species. It proposes that the Fund is managed by a board of directors and that any fees, fines, compensation and cost imposed in respect of licences or penalties under the Law be collected and put into this Fund.

The environmental protection fees which are currently collected through the departure tax and cruise ship arrival taxes, will continue in the foreseeable future to be paid into the Environmental Protection Fund and appropriated by Finance Committee. Of course, this will provide an option for the Finance Committee to appropriate funds from the Environmental Protection Fund into the Conservation Fund as it sees fit.

The penalties for contravention of the provisions of the Law are proposed as follows: Anyone committing “**an offence under this Law shall be liable to a fine not exceeding \$500,000 or to imprisonment for a term not exceeding 4 years or to both.**”

Madam Speaker, these penalties mirror the current provisions in the Marine Conservation Law. Regulations that give effect to the provisions of the Law will need to be developed. However, until such time as they are, the Law provides for transitional arrangements such that any regulations under the Marine Conservation Law (2003 Revision) or the Animals Law (2003 Revision) will apply as if made under this Law.

Madam Speaker, as honourable Members will be aware, a White Paper on the National Conservation legislation was tabled in this honourable House in 2002 by the former Minister of Environment. Unfortunately, no feedback was received from the public with respect to that draft. While the core elements of the proposed legislation remain unchanged, since assuming office, this Government has reviewed the draft legislation and has made a number of amendments aimed at making this ambitious legislation more workable and enhancing legislative clarity.

Madam Speaker, we have also produced a revised White Paper which summarises the key provisions of the draft bill in a more user-friendly way and we will have this available to the public on Monday.

This document will be able to be collected from the Ministry or Department of Environment and will also be available on the gov.ky website.

Madam Speaker, this legislation is long overdue and is absolutely necessary if we are to introduce some measure of sustainability to our future growth and development.

It is my intention to table the Green Bill for debate during the September 2007 meeting of this honourable House and I would therefore encourage all honourable Members and the public, particularly the public, to carefully review this far-reaching draft bill and to seek clarification on any of its provisions from the Ministry or Department of Environment.

Madam Speaker, we are at an important juncture in the battle to safeguard our Islands’ rich and diverse natural resources, which are subject to unprecedented threats of both a local and global nature. We all need to become more environmentally aware and it is important that the Government receive public feedback on this draft bill. I would not wish to see a repeat of what happened in 2002 when the draft bill was tabled and no public comments were received.

Madam Speaker, I sense that even in the last 18 months there has been a significant positive change in local environmental awareness and I trust that the public feedback on this draft bill will reflect that increased awareness. I therefore welcome and invite input from all on this most important piece of legislation.

We will allow a period of 60 days for public feedback and discussion so that there will be sufficient time to incorporate any changes that may be necessary before the bill is tabled and debated in the Legislative Assembly in September 2007.

I thank you, Madam Speaker.

4th Supplementary Annual Plan and Estimates for the Government of the Cayman Islands for the financial year ending 30th June 2007

The Speaker: I recognise the Honourable Third Official Member.

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

Madam Speaker, I beg to lay on the Table of this Honourable House, the 4th Supplementary Annual Plan and Estimates for the Government of the Cayman Islands for the financial year ending 30th June, 2007.

The Speaker: So ordered.

Does the Honourable Member wish to speak thereto?

Honourable Third Official Member.

Hon. G. Kenneth Jefferson: Thank you, Madam Speaker, just some brief comments.

Madam Speaker, in accordance with Standing Order 67(1) the 4th Supplementary Annual Plan and Estimates that have just been laid stand referred to Finance Committee.

As the 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.

The Speaker: The motion stands referred to the Finance Committee.

Honourable Third Official Member, I think we got mixed up there. You are going to move the motion now.

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

Madam Speaker, section 9 of the Supplementary Annual Plan and Estimates (that have just been tabled) contains the proposals for Supplementary Appropriations in respect of the 2006/7 financial year.

I therefore beg to move that pursuant to Standing Order 67(2) Finance Committee approves the Supplementary Appropriation proposals that are set out in Section 9 of the 4th Supplementary Annual Plan and Estimates for the Government of the Cayman Islands for the financial year ending 30 June 2007, and those Estimates have just been tabled in the House.

Thank you, Madam Speaker.

The Speaker: The motion stands referred to the Finance Committee.

STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF THE CABINET

The Speaker: I have received no notice of statements from Ministers or Members of Cabinet.

GOVERNMENT BUSINESS

BILLS

FIRST READINGS

National Archive and Public Records Bill, 2007

The Deputy Clerk: The National Archive and Public Records Bill, 2007.

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

Local Companies (Control) (Amendment) Bill, 2007

The Deputy Clerk: The Local Companies (Control) (Amendment) Bill, 2007.

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 46(1) and (2)

The Deputy Clerk: Suspension of Standing Order 46(1) and (2) to deal with the Immigration (Amendment) Bill, 2007

The Speaker: I recognise the Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, I beg to move the suspension of Standing Order 46(1) and (2).

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 to deal with the Immigration (Amendment) Bill, 2007.

Immigration (Amendment) Bill, 2007

The Deputy Clerk: The Immigration (Amendment) Bill, 2007.

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

The Builders Bill, 2007

The Deputy Clerk: The Builders Bill, 2007.

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

SECOND READINGS

National Archive and Public Records Bill, 2007

The Deputy Clerk: The National Archive and Public Records Bill, 2007.

The Speaker: I recognize the Honourable Acting First official Member.

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

I beg to move the second reading of a Bill entitled the National Archive and Public Records Bill, 2007.

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: Yes, thank you, Madam Speaker.

The Bill before the House is one which seeks to bring a new level of clarity and accountability to an important area of public administration, namely, the management of records and their appropriate disposal where appropriate, or preservation.

The Memorandum and Objects of the legislation set out in fairly concise terms the reasons for establishing this new legislation. It states: "**The objects of the Bill are –**

- (a) to provide for the design and implementation of systems for the creation, management and disposal of the public records of every public agency in a manner that promotes efficiency, accountability and transparency of government;**
- (b) to establish the National Archive as a principal repository for public records of public agencies that are no longer required for current administrative purposes; and**
- (c) through the National Archive to promote –**
 - (i) the preservation, for future reference, of records of enduring evidentiary or informational value; and**
 - (ii) the propagation of knowledge and appreciation of the heritage of the Islands."**

Madam Speaker, one thing that public administration and public institutions are known for is the creation of paper! In today's world, of course, records are no longer limited to paper. Nevertheless, the importance of having appropriate systems in place, particularly in light of other initiatives that are underway in relation to access by the public to public records, makes it extremely timely for this legislation to move ahead.

The legislation establishes the National Archive, as we have known it, as the key executive agency in relation to this area and establishes the role of the Archivist as well.

There are a number of key provisions that I would invite Members to particularly note. Among the definitions, for example, the definition of a "public record" is stated to mean "**information, in any form, created, received, or maintained by a public agency in the course of, or as evidence of, a transaction or activity effected or undertaken in the conduct of its business or affairs."**

Related to that is a "**public agency**" which includes– **(a) the Cabinet; (b) the Legislative Assembly; (c) a ministry, portfolio or department; (d) a statutory body or authority, whether incorporated or not; (e) an office established by any Law; (f) a court or tribunal; (g) a company in which the Government has a controlling interest, or any subsidiary of such a company; or (h) a prescribed person or body.**

So, it is clear from those two definitions that it is intended for the legislation to cover all records that are generated in the course of public business.

Among some of the other significant provisions, I will draw Members' attention to the provisions of clause 8, which requires a public agency, with the National Archivist, to draw up disposal schedules indicating in respect of the different classes of public records for the agency concerned.

Madam Speaker, it is important to understand that just as we need to ensure that records are preserved indefinitely when they have that significance, it is equally important to ensure that we get away from the practice of storing reams and reams of records that exist often times in multiplicity of copies in various parts of the government, but are stored because no one has the clear mandate to dispose of them and they are stored at the expense of the very public. I think that the establishment of those disposal schedules is a key component.

Also in clause 9, the requirement for the Archivist to monitor these practices to ensure that, having established disposal schedules, that agencies are in fact disposing of them. Without that monitoring, the culture that we have instilled in people certainly is not to dispose of things. Nor do we want officers to inappropriately dispose of anything, but certainly we need to know what is disposable, when it becomes disposable and ensure that that is done.

There are also some other significant provisions in respect of the inappropriate disposal of records and there are indeed penal provisions for persons who would knowingly and wilfully engage in such damage, destruction or disposal of records that they know should not be disposed of.

Madam Speaker, we think the legislation has been developed with the benefit of knowledgeable input from some key individuals within the Archive and external thereto, but who have invested considerable effort into researching international practice. We think that this legislation has been well put together and that it will address the issues that are relevant in today's public service and it will meet our needs now and, certainly, in the foreseeable future.

I guess to sum it up, Madam Speaker, obviously the proper management of public records is a keystone to good governance and good public administration. Proper record management promotes accountability for what we do, it affords transparency for others to see what we do, and it underpins the basic democratic way of life. It certainly has a vital connection to the freedom of information or access to official information initiative under way.

Obviously, as that initiative comes to fruition and the public is empowered to seek information on various areas of government activity, it is fundamental that we have in place a record management system that provides that information efficiently and not further frustrate the public who is seeking it.

So, Madam Speaker, we believe that the National Archive and Public Records Bill, 2007, provides a solid foundation for the successful implementation of

the Freedom of Information Legislation when it comes along in the not-too-distant future.

I would certainly urge Members to give the Bill their support and I would, as always, welcome any observations they may have, or any concerns they wish to raise. But I trust they will find the Bill deserving of safe passage through this House.

Thank you.

The Speaker: Does any other Member wish to speak?

Honourable Leader of the Opposition.

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

We on this side have no big problem with the Bill and its intentions. We just hope that it will work that way. But we do have an enquiry in section 3 (3) of the Bill.

The Member in moving the Bill made mention of the association with this of our Freedom of Information legislation. But section 3 of this says, and perhaps the Member can explain this in his winding up, or in Committee stage, whichever he prefers. It says, **“Nothing in this law applies to any record relating to the service of the Crown in respect of the Government of the United Kingdom, if the record (whether in an electronic or other medium) is held by the person for the time being holding the position of Governor of the Islands.”**

I would presume, Madam Speaker, that everything the Governor has or transacts in that office with the United Kingdom is pertaining to the Cayman Islands and affects the people of the Cayman Islands in some way or another. While I know it can easily be said, *‘well, there may be some information that should not be made public’* for whatever reason . . . I am not talking about police work and that sort of thing, but in this day and age it would seem, in particular when you are mentioning freedom of information, it would seem that you would want all those documents to be held through this new function.

As I said, we have no big problems with the Bill. But I am ever conscious where Europe is going and what the United Kingdom does with Europe and how it affects this country. Sometimes we cannot get information on a simple matter of discussion about the Constitution, which should be made public. But we cannot get it for some reason; up until now we have not. Therefore it leads me to ask the question, What is this all about?

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

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 thank the Honourable Leader of the Opposition for his support on behalf of himself and his colleagues. I appreciate the point he has raised in relation to clause 3 of the Bill.

First of all, obviously, this legislation is not the legislation which will afford or be the determinant in the issue of access to information from the Governor's office. What is being sought here is to delineate between records that relate to . . . records between the Governor's office and agencies and entities within the Cayman Islands and bringing those under our records management system versus records between his office and the UK, which are obviously subject to the UK's record management system.

[Inaudible interjection]

Hon. Donovan W. F. Ebanks: *[in reply]* Right.

I am saying the issue of accessing those is a separate issue. But, obviously, we felt it appropriate to ensure that the records relating to, say, between that office and any local ministry, agency, entity, whatever, is maintained in accordance with local records management requirements as provided in this legislation. But in this Bill we have not sought to extend it to the records between the Governor's office and the United Kingdom Government.

Hon. W. McKeeva Bush: If the Member will allow, Madam Speaker.

The Speaker: Honourable Leader of the Opposition.

Hon. W. McKeeva Bush: Thank you.

That is what I am seeking to get clarified.

Why not?

The Bill talks about a public agency and what that is deemed to be—the Cabinet, the Legislative Assembly, Ministry, Portfolio, Department, Statutory Body or Authority, whether incorporated or not; an office established by any law, a court or tribunal.

So the court records will be made, or tribunal records will be made public which are all people's business, or they could be able to get it and they are going to keep it; a company in which the government has a controlling interest or any subsidiary of such a company or a prescribed person or body, but not the Governor's stuff.

All I am asking is that if it pertains to Cayman, why are you not keeping it?

The Speaker: Honourable Acting First Official Member.

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

My colleague, the Second Official Member, has offered some clarification. I would attempt to re-

peat what he said, even though I do not like trying to quote someone.

But essentially the differentiation between records created in the administration of these Islands and records that exist between the Governor's office and that office's service to the office to which it reports in the UK, is what we have tried to recognise here and distinguish. Obviously, the local Governor's office in relation to the FCO provides a service to the FCO. There is a working relationship that is part of the UK public administration and there are records that are generated as a result of that working relationship, which is all part of the UK public administration. It is those records that we simply recognise that we are not able to bind with our local legislation.

Madam Speaker, I think that is the best explanation I can offer. As I said, this legislation does not deal with what is accessible, what the public or anyone else can have access to. The day will come, hopefully in the not-too-distant future, when we will discuss that legislation. But in the meantime we certainly feel that this is the extent to which we can regulate the records as it relates to the Governor's office.

Madam Speaker, I thank all other Members for their implied support. I am grateful, and indeed look forward to this legislation being enacted. Work on the regulations thereto is significantly underway. Those should also be brought into force in the not-too-distant future.

Madam Speaker, I thank you.

The Speaker: The question is that a Bill shortly entitled The National Archive and Public Records Bill, 2007, be given a second reading. All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The ayes have it.

The National Archive and Public Records Bill, 2007, has been given a second reading.

Agreed: The National Archive and Public Records Bill, 2007, given a second reading.

Local Companies (Control) (Amendment) Bill, 2007

The Deputy Clerk: The Local Companies (Control) (Amendment) Bill, 2007, second reading.

The Speaker: The Honourable Acting First Official Member.

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

I beg to move the second reading of a Bill entitled, The Local Companies (Control) (Amendment) Bill, 2007.

The Speaker: The motion has been duly moved and it open for debate.

Does the Honourable Acting First Official Member wish to speak thereto?

Hon. Donovan W. F. Ebanks: Yes, Madam Speaker. I thank you.

This is a very short Bill that follows on the heels of an amendment bill that this honourable House approved less than one year ago.

Among the provisions that the new Bill seeks to address is a provision to require licensing fees to accompany applications for local companies control licences, as has become the *modus operandi* in all immigration-related applications. By so doing, we have gotten away from a situation where persons apply, a favourable decision is given, and then the matter lingers because the person is slow to decide whether or not they actually want to pay for it, and we have these inactive grants sitting and awaiting payment of fees.

So the requirement for an applicant to tender the fee along with the application . . .

[inaudible comment]

Hon. Donovan W. F. Ebanks: No. There is a processing fee.

The amendment back in June last year allowed for the processing fee of \$200 to be submitted with the application. This amendment will require the applicant to also submit the \$2500 LCCL fee. As I said, the same discipline applies under the Immigration Law where an applicant submits the processing fee and the work permit fee at the same time as the application.

Clause 3 of this Bill affords the Board discretion where an application has not been successful to refund the licensing fee, or a part thereof, as the Board considers fit.

Finally, clause 4 simply takes the payment of subsequent licence fees away from the beginning of the year (prior to the 31st of January provision which previously existed) and links it to the anniversary of the grant of the fee. So it spreads the two things: it ensures that the applicant gets a full calendar year for his initial fee, and it spreads the collection, the receipt of revenues in this area over the full year rather than lumping it into January and creating the corresponding volume of work in actually collecting these fees over a short period of time.

So, those are basically three things that the Bill seeks to do: it seeks to require the payment of the fee for the grant of the LCCL with the application; it empowers the Trade and Business Licensing Board (where the application has not been successful) to refund all or part of that fee, and it sets the payment of renewal fees at the anniversary of the initial grant, rather than at the beginning of the year.

I trust that Members will find those objectives acceptable and will find it possible to afford the Bill their support.

Thank you, Madam Speaker.

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

The First Elected Member for the district of Cayman Brac and Little Cayman.

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

I rise, firstly, to intimate that the Backbench certainly sees fit to support in general the Bill now before the House. However, I would propose further examination of section 3 and clarification, perhaps in the summing up by the Honourable Member, as to why it was deemed necessary on the part of the Government to give the Board a discretionary power in that it says that the Board “**may in its discretion, refund the licence fee . . . [as determined in] section 10(2), or such part thereof as the Board may consider fit.**”

In this vein, Madam Speaker, we have two inquiries: firstly, as to why it was necessary to give the Board discretionary power rather than a mandatory power; and, secondly, why it was deemed necessary when there is a refusal for the power to perhaps be traversed even further and diluted by giving the Board the discretion to, firstly, decide to give the full amount of the licence back, or the Board having the discretion to give part. Under what circumstances does the Government envision those particular things arising?

Except for those inquiries, where we feel there would not be equity and parity with such administration under section 3, we have no problem in supporting the remaining parts of this proposed Bill, Madam Speaker.

Thank you.

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

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, I hear the concerns the Member has raised. I am certainly grateful for the support of the Member and her colleagues.

I am not in a position to answer her as I would like to, Madam Speaker, and I was wondering whether, considering the time of morning that it is, we might entertain the morning break so I can better prepare myself for answer.

The Speaker: I am sure the Chair will grant you that request.

Hon. Donovan W. F. Ebanks: Thank you.

The Speaker: Proceedings will be suspended for 15 minutes.

Proceedings suspended at 11.26 am

Proceedings resumed at 11.55 am

The Speaker: Please be seated. Proceedings are resumed.

The Honourable Acting First Official Member winding up on the Second Reading of the Local Companies (Control) (Amendment) Bill, 2007.

Mr. Donovan Ebanks: Thank you, Madam Speaker, and thank you in particular for having afforded the little recess when you did.

Madam Speaker, in relation to the query raised by the First Elected Member for Cayman Brac and Little Cayman, the primary reason for having afforded the Board discretion to refund all or part of the licence fee tendered with the application, is to allow the Board to better . . . well, when I say “better”, allow the Board in its consideration of, I guess the best term would be, “belated applications” from time to time where an applicant submits an application and either acknowledges, or the Board is of the view, that the application should have been submitted earlier. In a number of cases the applicant acknowledges at the time of the application that they did not realise that they should have applied and they are now applying.

In catering to those “belated applications”, where they are unsuccessful, to allow the Board the discretion of whether to retain a part of the fee where there is a situation where the business to which the application was made has actually been going on, the fee can be prorated for the period between the time of the application and when the business commenced. So, it is really to cater to those situations.

It is not envisaged that in the normal course of considering application for a business prior to startup that the Board would exercise any discretion in withholding a portion of that fee. If the applicant is refused then we would expect that the unsuccessful applicants would routinely have the fee refunded. But until then there is that category of belated applications or applications which come in where business is already in existence and where the Board can in turn have some discretion as to whether to withhold some of the fee.

Obviously, if the application is unsuccessful and the activity does not cease there are other resources that the Board can take to ensure that it ceases. But for the period where it has existed—I mean, that situation arises in the same way that I guess it arises for Planning matters where people make applications saying, ‘*I didn’t know you need to apply but I am now applying.*’ But certainly, in this case, that is what the provision is intended to address.

Hopefully that will shed sufficient light on it, and if the honourable Member would wish for me to offer her any further clarification or in a different form I will be willing to give her an undertaking to do that.

Let me just say, Madam Speaker, I wish to thank all Members for their support and I trust that the Bill can be afforded passage.

The Speaker: The question is that a Bill shortly entitled The Local Companies (Control) (Amendment) Bill, 2007 be given a second reading.

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

Ayes.

The Speaker: The Ayes have it. The Local Companies (Control) (Amendment) Bill, 2007 has been given a second reading.

Agreed. The Local Companies (Control) (Amendment) Bill, 2007 given a second reading.

**Suspension of Standing Order 46(4)
Suspension of Standing Order 14(4)**

The Deputy Clerk: Suspension of Standing Order 46(4) to enable the Immigration (Amendment) Bill, 2007 to be read a second time.

The Speaker: I recognise the Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker.

Craving your indulgence and understanding that the Immigration (Amendment) Bill, 2007, will not have had 21 days before a second reading is heard . . . the fact of the matter is, we had anticipated completing the Order of Business today prior to this, but because of Finance Committee we recognise we will have to resume tomorrow morning. In order to give all Members as much time as possible, I would humbly move the suspension of Standing Order 14(4) in order to allow the Immigration Bill to be placed on the Order Paper for tomorrow morning rather than the Second Reading being done today.

The Speaker: The question is that the Orders of the Day be changed whereby the Immigration (Amendment) Bill, 2007, be placed on the Orders of the Day for tomorrow morning.

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

Ayes.

The Speaker: The Ayes have it.

Agreed: Orders of the Day changed to enable The Immigration (Amendment) Bill, 2007 to be placed on the Order Paper for 23 March 2007.

The Speaker: Madam Clerk.

Builders Bill, 2007

The Deputy Clerk: The Builders Bill, 2007. Second Reading.

The Speaker: I recognise the Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, I move the Second Reading of The Builders Bill, 2007.

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 introducing this Bill, first of all I would like to, by way of background, just enlighten Members with the following information with regard to sequence of events for the Bill to reach this stage.

Members might be aware that the suggestion to enact legislation to regulate builders and contractors had been discussed for nigh on to 20 years, and draft legislation had been prepared and reviewed some years ago but nothing was ever finalised.

In December 2001, the Planning Department commenced a public awareness campaign to solicit input on The Builders Bill. The initial deadline for comment was 31 January 2002, but this was subsequently extended to 15 April of that year. At the end of the comment period there were two submissions on the Builders Bill.

In short, there has been considerable opportunity for public input and the current draft Bill contains all, or almost all, of the same provisions with a few additions to improve processes, authority and responsibilities of the Board and the contractors.

In May 2005, after the General Elections, I requested an immediate update on the project and directed that steps be taken posthaste to finalise the draft legislation for consideration by Cabinet. Immediately after that, Madam Speaker, a Builders Bill Review Committee was organised. The Committee comprised of representatives from the following:

- The Cayman Islands Chamber of Commerce;
- Legislative Drafting Department;
- Employment Relations Department;
- The Chairman of the Trade and Business Licensing Board;
- The 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 Public Works Department;
- The President of the Cayman Contractors Association; and
- The Director of Planning

The Committee commenced deliberations on 18 October 2005 and completed its substantive review on 2 February 2006. This period was approximately a period of six months.

Fortunately, Madam Speaker, during all of these deliberations the Committee had access to the earlier versions of the draft Bill and this certainly assisted them with their deliberations.

The Director of Planning, on behalf of the Builders Board Committee, submitted the proposed draft Bill to the Ministry on 17 February last year, and after several meetings with the Ministry and a few more minor amendments he submitted a draft on 28 March last year.

In May of last year a draft of the proposed Builders Bill was tabled in the Legislative Assembly as a discussion paper and the draft was also posted on the Cayman Islands Government website. Comments regarding the proposed Bill were received from two entities which were reviewed by the Committee.

From June 2006 to the end of November 2006 the Committee continued to meet and to revise the proposed Bill. One of the important changes made to the proposed Bill during the final review period was a proposal to include clauses 6 through 15 that would move all requirements relating to licensing contractors currently contained in the Local Companies (Control) Law (1999 Revision) and the Trade and Business Licensing Law (2000 Revision) into the Builders Bill.

This would allow for a more streamlined process and it would eliminate the potential need for two licences—that is one under the Trade and Business Licence Board and one under the Builders Board, similar to the current practice for hotels and premises that hold liquor licences.

Madam Speaker, the Builders Bill, 2007 **“will establish the Builders Board to help safeguard and promote high standards of workmanship in the building industry in the Islands. The Board will have responsibility for registering business entities involved in the building industry and qualifying individuals who will actually perform the work.”**

The Builders Bill proposes to license builders and contractors in various categories according to their skills. When hiring a general contractor the public will know what duties they are licensed to perform.

Subcontractors such as electricians and plumbers are already required to be licensed. The draft Bill proposes to license builders and contractors in five categories. (1) General contractor; (2) building

contractor; (3) residential contractor; (4) sub-trade contractor; and (5) civil contractor.

The Bill provides for the following:

- The establishment of the Builders Board;
- The registration and criteria for business entities and contractors;
- The issuance and expiry of registration of business entities;
- Various provisions relating to the registration of business entities including application fees and licence fees;
- Disciplining of business entities and the right to appeal;
- Registration and criteria for qualified individuals;
- Issuance and expiry of registration of qualified individuals;
- Disciplining of qualified individuals and the right to appeal;
- Application fees and licence fees for qualified individuals;
- Offences for an entity or individual not registered as a builder to hold himself as being so registered;
- Offences to carry out work when one is not registered at all or not registered for that particular type of work;
- Offences to make fraudulent entries in the register of builders;
- Appointment of enforcement officers;
- Offence of obstructing any person acting in the execution of powers conferred upon the Law;
- Powers of the Board and/or the Court for non-compliance with the Law;
- Criminal liability of business entities, their directors, partners or managers;
- Appeals of certain actions taken under the Law;
- The right of the public to complain;
- Empowering the Governor to make regulations and/or matters of policy

And, Madam Speaker, let me interject here to say that the regulations are being prepared as we speak and certainly we expect for those regulations to be ready within a matter of, perhaps, two, maximum three months.

Madam Speaker, the Law also provides for:

- Transitional provisions whereby the recognition of business entities and qualified individuals who may not meet the qualifications prescribed in the Law can be registered.

In other words, Madam Speaker, no one who operates at this point in time once the Law comes into

force, will be caused any hardship and sufficient time will be given for those individuals to be able to register.

- Fees for the purpose of registration of business entities and qualified individuals;
- Provisions relating principally to the internal organisation of the Builders Board.

I would like to take this opportunity to impress on everyone the importance of this Bill and its significance for the Cayman Islands because I firmly believe this Bill marks a very significant milestone in the evolution of the development industry and it signals to the people of the Cayman Islands and investors who wish to pursue property development here that we are striving to maintain a very high standard of construction and development.

Certainly, I hope that my intentions will not be misunderstood when I say that this Bill will help us to protect the consumer. I am certainly not implying that we need to embark on any witch hunt to weed out bad characters in the industry. On the contrary, I believe this Bill will provide the legislative framework that will enable the members of the construction industry to better promote their skills and abilities through recognition by a registration authority, namely the Builders Board.

This Board will have membership from across the relevant stakeholder groups, including a representative from three of the registration categories, namely a general contractor, a building contractor and a residential contractor. And the ten-member Board will also include:

- Two representatives from the architects, engineers and quantity surveyors or other related professions;
- One person qualified to practice law;
- The Director of Planning;
- The Director of Labour; and
- Two other persons with the proviso that the various related professions are not represented more than once on the Board.

The administration of the Builders Board will be done through the Planning Department and my Ministry is committed to making the implementation of this legislation as smooth as possible.

To that end, Madam Speaker, although we are contemplating an implementation target date of 1 January 2008, plans are already being made to recruit staff dedicated to the administration of the Builders Board.

I would like to assure Members of this honourable House, and indeed members of the public, that we will engage in an extensive education and information campaign to ensure that all those stakeholders who will be subject to this Bill are given ample

time and opportunity to prepare for it coming into force. It is our hope that through communication with the stakeholders and by making provisions now for the administrative framework that all parties will be in a state of full preparedness for the implementation of this Bill when it comes into effect.

I would also like, Madam Speaker, to take this opportunity to point out that the Government is cognisant of the fact that some may perceive this as another layer of bureaucracy that they will need to wade through in doing business in the Cayman Islands. I want to assure everyone that this is not the case.

As I outlined earlier the proposal is to streamline the licensing process for builders so that the Builders Board becomes a one-stop shop for all of their licensing requirements. I am confident that this will be favourably received and will be found to be a tremendous benefit of this legislation. I also believe that the general public will benefit from this Bill. Through the registration of builders and their employees, the public will be given a clear indication of the skills and competency level of the various firms and individuals and will be able to make informed decisions when they are selecting their contractor.

I believe this Bill represents a win-win situation, Madam Speaker. The builders will be able to increase their credibility through the registration process and the consumer will have greater assurances with regard to the contractors that they employ.

Madam Speaker, I hold the view that this Bill is one that is long overdue. I feel that the experiences in the aftermath of Hurricane Ivan further demonstrated and cemented the need for this type of legislation and I have every confidence that once it is established through this legislation the Builders Board will help safeguard and promote high standards of workmanship in the building industry here on the Islands.

Madam Speaker, without going into the specific details and sections, I need to make it clear that the Bill itself does not just cater to business entities; it caters to all of the individuals who are now involved in industry at the various levels that they perform their skills. It is not meant to ostracise or isolate any one individual; it is simply meant to have it very clear what each individual and/or business entity has the ability to do in that industry when it comes to contracting work.

Madam Speaker, I cannot overemphasise the importance of the fact . . . I just mentioned a couple of minutes ago about Hurricane Ivan and the experiences of people. Even on Tuesday, when I was attending my constituency day at the MLA office, I experienced a young couple with two young children who came to the office knowing full well that I may not have had all of the answers for them but to speak of a genuine case of a contractor dealing with their bank, their bank allowing the contractor to receive certain monies.

The house is not finished.
The money is finished.

They do not have a house.

They are paying on a mortgage and they are paying their rent and they do not have the wherewithal to get the house finished.

Regardless of what anyone says, there have to be laws on the books which take care of matters such as this. As of now these individuals have no protection short of a civil suit. And if they cannot pay their mortgage and they can barely manage their rent, which lawyer are they going to be able to pay?

So, without looking at any positive perspective but simply being pragmatic, this is something that is needed. But in the considerations we do recognise that the vast majority of our people who engage themselves in the building industry are diligent, honest and with the skills required to do the tasks that they perform. This only serves to streamline their activities and I believe that all bona fide individuals and entities in that industry would be happy for the Bill to become law.

Once more, as I said, the commencement date is anticipated for 1 January 2008. It gives us time in the Ministry to direct the Planning Department to make sure that the office is set up properly, it is manned with competent people and all of the systems are in place to accommodate this. Once it comes into effect these individuals and the various companies will be able to come to the one office to have their licences renewed and they will not have to deal with the Trade and Business Licensing Board; they will not have to deal with the Local Companies (Control) (Licensing) Law (which is under the Trade and Business Licensing Board), everything will be under the one roof.

So, I want to certainly commend the Bill to the Legislative Assembly. I believe also, Madam Speaker, that I have craved your indulgence to allow for a Committee Stage amendment which will be passed around. It is a very simple amendment and I do trust that honourable Members in the House will see it fit to support the Bill.

Thank you.

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

Fourth Elected Member for the district of George Town.

Mr. W. Alfonso Wright: Thank you, Madam Speaker.

I rise to give my support to this Builders Bill and to say that I commend the Honourable Leader of Government Business, the First Elected Member for the district of George Town, the Minister responsible for this subject, for finally getting the Bill to the Legislative Assembly.

I am extremely grateful to all of the individuals who have had a hand in putting this together and getting it ready to come to this honourable House.

As the mover of the motion said, Madam Speaker, this Bill is a long time in coming. God knows we have been listening to the many cries of individuals who have been affected by unscrupulous individuals. Hurricane Ivan taught us many lessons. While there were things that went on in this community beforehand, I believe that the advent of Hurricane Ivan highlighted quite a few things and, I guess, gave unscrupulous individuals many opportunities to take advantage of many people.

Even contractors—legitimate contractors—have approached us with their complaints. They, too, see some of the things that have gone on in this community and it gives many of them a bad name and they too want it to stop. So, I want to say a special thanks to many of our traditional contractors in this country who uphold the law, who treat people the way they should be treated, who provide an honest day's work for their pay and produce work that everybody is happy with at the end of the day.

But we had so many companies springing up around the Cayman Islands after Hurricane Ivan. Individuals who were masons, carpenter helpers, electrical helpers or plumbing helpers, overnight they formed their own companies and had construction companies going. They really took advantage of many of our people who were hurting at the time and were more or less expected to pick up the lowest of the bids that would come their way because of the unavailability of a lot of funds. A lot of these people were taken serious advantage of. The work was not up to standard; much of it was left incomplete. Many of them had to end up spending more money to have the shoddy work redone.

The Government is right in trying to do something about this because we have to encourage people to behave in a decent fashion in this community. Also, at the end of the day people expected the Government to bail them out of these issues when they had no other way of bringing these people to justice. People would simply take money from one person and spend it on another job and not finish that and take money from somebody else and it just went on and on. A lot of them were simply just robbing Peter to pay Paul and many of them have since left these shores and have left people in the lurch, so to speak.

The Government, on many occasions, Madam Speaker, had to assist where it could. But this is not always possible and we cannot continue to operate like this. So, I do agree that we need to have something to regulate these individuals. And to the honest, law-abiding and decent contractors that we have out there, I say to you, embrace this opportunity to improve what you already have. Do not look at this as cumbersome and another layer of bureaucracy, but a way of upholding standards that you have already set for yourselves and are trying to pass on and in doing so keep out those unscrupulous individuals.

Madam Speaker, in more ways than one, this becomes a burden on Government because many of

these individuals Government may not have been able to actually go in and help with their repairs or fix the problems that these contractors caused for them. But by their actions a lot of these people became clients of the Department of Social Services and so, indirectly—or however we want to term that—it affects the Government, or these people become a burden on the Government because some individuals decided that they were simply going to get as much as they could get out of these people.

A lot of these individuals were women who did not know much about construction. And with three, four and five kids, at times really struggling, a one-income family, a lot of people should have really been incarcerated for what they did to a lot of our local people.

I am happy. I know that the Bill will not actually come in force until 1 January 2008. I wish it were April 1, but I do understand that we want to give everybody a proper chance to get their house in order and to allow for the regulations to be drafted. I await the regulations but I do want to commend the mover for bringing the motion and to offer my full support.

Thank you.

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

Honourable Leader of the Opposition.

Hon. W. McKeever Bush: Madam Speaker, examples have been given about what took place after Hurricane Ivan when there were individuals who saw an opportunity to make money. And what a bad job, in many instances, took place.

As representatives, many of us on this side, or perhaps all of us on this side have had to face the results of some of the situations that took place. Indeed, you could say it was criminal and perhaps criminal law should have taken the bite into this situation. But it is true that many of the individuals that were taken advantage of could not afford to get a lawyer as such.

I have seen people who worked all their life to build a home, small home, and still had to borrow for it and were smart enough to pay off the bank. And then because of what happened with Hurricane Ivan, the bad decisions they made in choosing people to do work which they were not able to perform, they are back to square one. I have seen it in my district. I have seen it throughout the Islands. There is no doubt that we had to make complaints about the situation.

Whether this Bill is going to do the job is another question, because people in Cayman understand that we do not want to hurt this one, we do not want to hurt the next one, and so people do get away with things they should not be able to that are so obvious. I am not talking about accusations to give anyone a bad name, I am talking about when you see and hold it in your hand. That is what I am talking about.

And so, when bad work is done and people are taken advantage of, there needs to be something to bite. Whether this Law is going to do that, as I said, it is left to be seen.

I hope that we are not going to regulate the small builder out of work. The Law as I see it will have to be carefully administered so to ensure that the good contractor is not pushed out of business. There are no two ways about it, and anyone believing otherwise is fooling themselves that there are not those out there who want it all, control it all, and know it all. And those people you have to protect against.

For far too long the system here catered to a few select companies—and we all know who they are—who controlled everything. And when people needed jobs, good local contractors, they had to go and get a subcontract, if they could get it, from them. We have gotten away from that group controlling everything and I would not want to go back to those days.

Now, I know if they listen to me on the radio you are going to see some letters saying all sorts of things, but I have been here long enough. I know who the carpetbaggers are. I see them on the front page still because they feel they have got a say and now they can say, but I know who the carpetbaggers are. I know when they had everything going their way and nobody could get anything else, and they might think they can get it that way again. But I do hope that the Law bites both ways.

The way to control bad building habits or poor construction, which really affects the poor people of these Islands who cannot defend themselves, is not for a few would-be's and wannabe's to have it all or to get it all for themselves. I believe that people do not want bureaucracy. I recognise that there has to be some form of bureaucracy. Even if it were a Better Business Bureau you would want something to have teeth in it and something that could link with the Planning Department and link with the boards that grant business licences because those boards also have to find out who is who. They should be finding out and maybe they could make it that they know who is getting what kind of construction licence.

So, I would hope that while we want to have something, as I said, that can bite and something that people can feel satisfied that they have some protection, something that is not too bureaucratic but could control, I would want that. What I do not want and hope will not happen, although I will not have any say on who goes on what board, I would hope, Madam Speaker, that the *same old, same old*, is not going to happen. Anyone can jump up after me whether it is in this House or as I said by way of a letter to the news media and say anything. The fact is that people know and I know that there are those carpetbaggers that believe that they know it all, they had it going their way one time and would like to get it back again. I hope this Bill does not give them that opportunity.

The Speaker: Does any other Member wish to speak?

Honourable Minister responsible for Communications, Works and Infrastructure.

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

I rise in support of the Bill for a Law to establish a board to be known as the Builders Board to provide for the registration of business entities and qualified individuals; and for incidental and connected purposes.

Madam Speaker, I shall be brief but I think that I should say a few things about my experiences and the reasons that this Bill, if passed into law, will correct some of the ills and the advantages taken of unsuspecting residents in this country.

I want to start first with the aftermath of Hurricane Ivan. The country will know that East End was one of the most devastated areas. We had something like 80 per cent of the district of East End, the structures damaged, some 20-odd per cent totally destroyed or had to be destroyed thereafter and some 60 per cent serious damage. And this is statistics I am talking about because we did that. We surveyed the entire district.

I believe I was as intimate with the rebuilding of East End as anyone else in this country was with other areas. I experienced some . . . I do not know what word to describe it with. Maybe the word "skulduggery" would be an appropriate word.

Fortunately for me and the other members of the public that were assisting me, we had a little experience in building and we eventually weeded them out. But the kind of work I saw these people doing in that district which we had to eventually go and do over was beyond any reasoning reasonable to any contractor or any expectation of any individual.

I see these people lifting and supposed to be putting on a roof on some plates, on the plates of those houses, and just putting a piece of 2x4 vertically on top to lift the roof.

I think this country should welcome this.

Certainly the PPM Government is not trying to run people out of business. All these people have a business licence. They have gone through all the processes to be a legitimate company, but it is about the bad work that they are doing. It is not about trying to stop the businesses. It is about controlling and ensuring that the people of this country get value for money.

My colleague just reminded me that some of the things they were doing were buttoning the rafters end to end and no joints and—

[Inaudible interjection]

Hon. V. Arden McLean: —nothing to hold them together. I see them putting in windows and not even — And, Madam Speaker, there was so much work going

on at the time that I could not be on every job every day. There were only three or four of us who were watching it until IAMCO brought the people from England and by that time we got some control over it. By the time you got there two days later you have on the roof and you do not have a roof! I was amazed. Of course, you know I ran them off the job.

Fortunately, we are now in a situation in that community where we have good, small contractors and I must tell you 99 per cent of those are East Enders. But we have weeded out all the rest that were doing all the bad work and whittled it down to only those that we had there because it is now coming to a close.

You know, I was a victim of it too at my house and the way they tried to take advantage of my dear wife while I was busy in East End—

[Inaudible interjection and laughter]

Hon. V. Arden McLean: Yeah, but when I found out how they were trying to take money from her I decided to put a stop to that too.

But I do not believe that this is a reflection— and I know it is not a reflection of every contractor in this country. The majority of contractors in this country are established and they know exactly what they are doing. I can vouch for that; I have seen it. However, we need to ensure that those who will not, those who will spring up overnight and believe because they were working on a construction site and they can go and form a company, they can do the job, they are mistaken.

They are mistaken!

They must demonstrate that they have the experience in this. You know, this is where people live, particularly when it comes to their homes. This is where people are going to be sheltered in the event of imminent weather. And we are putting our people at risk. The more secured homes we can ensure are constructed in this country the better off we are as a country.

We may say that this Bill may bring some kind of difficulties or hardship to those contractors that it will affect. Well, you know, I think the Minister of Education has this saying from his grandfather: "*If you think education is expensive try ignorance.*" Well, if you think controlling these and ensuring they are up to scratch and how the experience is expensive, think about what it is going to do to the economy overall.

When they siphon off these people's money and do not finish the job then somebody has to finish it and that has a trickle-down effect on the economy in that someone has to do it. It is either the person has to go back and borrow money which they probably cannot afford, or the Government has to come in to try and straighten it up. Or, we as representatives have to go there and assist those people. It must be done. It has to be finished because we cannot leave these people outside. In the meantime you see these wan-

nabe contractors driving down the road in their Mercedes Benzes. I really have some concerns about it.

One of the other things is that a number of these people who purport or hold themselves out to be building contractors do not even have a business licence. The other effect that has on the economy is that they go in, they underbid everybody and they hire people that they underpay who cannot afford to live in this society and we create another set of cultures someplace with the rent and what have you. It affects us all. It has a result on the way we live in this country.

This Government is not out to stop the businesses in this country. That is where the wheels of this economy are driven from. But we want to ensure that (1) it is done properly; (2) that the clients who are the residents are not taken advantage of and they get value for money.

Madam Speaker, all 15 Members in this honourable House have, at one time or another, had representation of similar incidents. At some stage we have been told *'Someone robbed me and they wouldn't come back to finish the job'* and I just do not understand why people would do that.

There was no need for Government to step in and do this. There really was no need. But out of necessity Government now must legislate to ensure the protection of residents of this country, and I am not talking about Caymanians only. There are people who have come here amongst us and want to build their little homes, or have built their little homes and need to do repairs but they get these rogues who come in and sell themselves off as contractors who do this work and halfway through it they leave and they have taken all the money. I am not going to blame the clients because obviously the clients are excited about getting their jobs done and they will do anything. They develop a trust in those individuals and their legs are cut from under them.

My wife too, I left her to do a little project at the house when I know she had already paid out \$6,000, was going for another \$3,000 and did not get anything.

[Laughter]

Hon. V. Arden McLean: She trusted the person.

It is not fair. It is not fair.

I had to maintain my respect and I just told the person to leave. However, at the end of the day I still had to go and find the money to pay it over again.

It is not good, Madam Speaker, and I would implore every Member of this honourable House to support his. At least let us put some controls in place.

This is not over regulation. This is about putting regulations in place to ensure that it is stemmed. We have to stop it.

I saw where the front page of the newspaper was saying that there are more women in small businesses nowadays than men. What that says to me is that there are a number of women in this country who

have the initiative to go out there and start a little business and do well for their families. A number of those are single mothers as well. All of a sudden, they want to build a little house which they really do not know anything about construction and they are ripped off again! So, that is where the economy becomes affected. Those children are disenfranchised because some unscrupulous person in the form of a contractor takes something away from those children. It is unfair.

I wholeheartedly support this. I do not want it to appear like we are going to crucify this community nor the businesses as I said earlier, but we need to control those who prey on the innocent people in this country. Madam Speaker, they are doing it and they must understand that this Government is not going to tolerate it. We are not going to allow it to happen, not on our watch. If they want to do it they go out and do it in another country or suffer the consequences if they want to stay here.

When I was elected here as a Minister, I said at that time 'if you think you are going to turn this country into a lawless country you have made the biggest mistake of your life.' We have demonstrated that. This country today is much safer, it is the safest it has ever been and that is because there is the political will in this country to ensure that the residents of this country are safe. It is unlike many other countries in this world where there is no political will to get it done. All those who would think that they are going to come here and take advantage of the people of this country, or those who are here and think that they are going to take advantage of the minority, they have made a big mistake. We will put legislation in place to protect the people of this country and those who do not follow it will just have to bear the consequences. That is simple. That is what life is about.

It is not like they do not know the difference between right and wrong. They know!

They know when they are taking advantage of the unsuspecting residents of this beautiful country. There will be no haven for lawlessness in this country. If you are here we are going to weed you out and you are going to bear the consequences of your wrongdoings. Those who are contractors involved in the building of the infrastructure of this country, take heed. You can no longer take advantage of people. But we would invite you to come and be registered as a builder and be governed as a builder. There is nothing to it. They can do it. Many of those people can do it; it is just that they now have to demonstrate that they can be registered as a contractor, builder, whatever the case may be. Whatever they want to be called they have to demonstrate that they have the expertise and that they are capable of doing it.

Madam Speaker, I commend this Bill to this honourable House and thank you.

The Speaker: Proceedings will be suspended until 2.30. I would like to remind honourable Members of

the invitation of a presentation on the proposed website for the Legislative Assembly at 1.30.

Proceedings suspended at 12.59 pm

Proceedings resumed at 2.45 pm

The Speaker: Proceedings are resumed.

Debate continuing on the Builders Bill, 2007. Does any other Member wish to speak? *[pause]* Does any other Member wish to speak? *[pause]*

First Elected Member for the district of Cayman Brac and Little Cayman.

Ms. Juliana Y. O'Connor-Connolly: Thank you.

Madam Speaker, after having had an opportunity to peruse the Builders Bill which now stands before this honourable House, I have just a few brief comments to make and so respectfully ask the Government to give due consideration to the same.

The first relates to section 14. I wish to convey my gratitude for the continuation of the policy that has been also placed in this provision where consideration has been taken by way of proposal in this proviso for my constituents in Cayman Brac and Little Cayman whereby upon application to the Board the relevant fee would be a reduction of 50 per cent of what would be attracted here in Grand Cayman.

Again, I would like to emphasise that we are grateful for the continued consideration to these written diverse statutory expressions because I believe it will go quite a way in assisting the constituents in Cayman Brac and Little Cayman.

My second concern relates also to this provision wherein it refers throughout the proposed section to a solitary Board. I would respectfully ask the Government to consider a policy which has been in existence for many pieces of our legislation, and that is, rather than having the Board which is proposed, I believe, to have eight members who would sit in Grand Cayman dealing with the various applications (under section 4 (2) in particular and subsection (3) that talks about the composition of the Board), whether or not they would consider – seeing that it did not specifically say that they would be members from the Brac as in some boards – whether they would take the direction that was taken some years ago with the Immigration Board. We would have a separate Board situated on Cayman Brac, preferably at District Admin (that area), to deal with the builders permits for the constituency of Cayman Brac and Little Cayman for a number of reasons, Madam Speaker.

One reason is the administrative processing time, the delays of having to send it across to Grand Cayman. These are not innovative reasons; these have been proven, as I said, with the Immigration Board and turned out to work very well indeed. The biggest problem that we experience when permits have to come to Grand Cayman is the fact that the whole economic and social infrastructural and plan-

ning perspective in the Brac differs significantly from that in Grand Cayman. The social/economic factors that would need to be considered are more specific. I do not think that the Board would want to go on a scenario where they just met to deal with Cayman Brac applications on a particular day, because that in itself would also lend to public delay.

So, I would ask the Members on the Government side if they would consider the fact at committee stage to amend the proposal before us so that the Brac would have its own Board. Madam Speaker, I do not think that it would take away from the merit of the Bill as put before us here, but mainly a way to enhance and to augment the administrative procedure that this Bill seeks to implement.

I believe that the tenor and the merit of the Bill is good. Obviously, there would preferably be some exceptions as far as the representation I did receive from some of my constituents by way, for example, with a church where we would appoint trustees to look after the general property. Some of the questions that arose were: Would we have to have a contractor's licence if we wanted to fix minor things around the church – a lock or what have you. So, perhaps the Honourable Leader in his reply could assure my constituents that they would not be encapsulated into such provisions as are herein.

Leading on from that, Madam Speaker, we would be grateful to get a response to the situation that would perhaps arise where qualified persons, for example (if I use the church situation again), who would volunteer their services. If he could perhaps expound on what this Bill envisions in that regard. Would they have to have a specific contractor's licence for the Church or charitable organisation, for example the Cancer Society? If they wanted to do a building would this Bill in any way restrict it as far as carrying it out?

I am asking these questions Madam Speaker . . . Obviously, the Leader and his technocrats would have had a more intimate relationship with the provisions than we would have had with it as far as feedback and actual drafting and the intent they wish to pursue. So I would be grateful if, in the reply or at committee stage, some of those questions could be elucidated.

Madam Speaker, except for that . . . obviously I do not know what the fee would be when they say 50 per cent, but I would go on the premise that the Government, being a prudent government, would seek to ensure that any fees put in place are reasonable and if increased would be on a graduated level that would not hurt further the constituents of Cayman Brac and, generally speaking, the persons in Grand Cayman.

I am grateful to my learned colleague who showed me the schedule in the back. As I read it I was under the impression (wrongfully so, and I beg your pardon) that there were going to be regulations with a fee schedule. I would say also that, although it has been out for some time, the normal, the usual, or

unusual, Caymanian phenomena has still been in vogue. Certainly in my jurisdiction many of the constituents still have not taken the time to look at the provisions and I am grateful that we are in a democratic country where it will be aired, albeit at this late stage it will not assist many of them.

Today I had someone call and say that they understood that it was before parliament today, all anxious and concerned that these provisions were going to somehow restrict the proverbial little man in the street. So I would ask the Honourable Leader that, when he gets up to rebut or reply, that perhaps he would take some time to assure the constituents that it is in their best interest and if the need arose for amendments that the Government would be open to any such reasonable amendment in the way forward.

With those comments, Madam Speaker, may it please you. Thank you.

The Speaker: Does any other Member wish to speak? [pause] The Second Elected Member for the district of West Bay.

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

Thus far my honourable colleagues have dealt with, firstly, the overall position and concern as it comes to the changes that are going to be made. I think it is fair to say that given the experiences thus far in Cayman that ultimately we do get to a point in time where countries have to decide how they are going to best deal with circumstances that are negative.

I think I recall a Member saying earlier in his contribution—he almost lamented today—that if all contractors and all those in that business had done what they should have done, we would not necessarily be here. We are here, despite the fact that we have a strong building code as proven during Hurricane Ivan. We are here, nonetheless, because we still have practitioners in this field who continue to produce workmanship and continue to engage in business activities that cause great strain on individuals' finances. All of us have seen and heard about those cases. Of course along with the financial strain, there comes the inevitable emotional strain on individuals and their families.

When you hear about these situations it usually involves young couples and their families, or single persons, and that really exasperates the situation even more.

Madam Speaker, I just want to offer a few comments on a couple of specific provisions in the Bill that I am hopeful would cause the House and, in particular, the mover of the Bill, some cause to reflect and perhaps look at some of these situations to see if there is any scope or need for enhancement, perhaps not at this particular juncture, but in the near future.

Firstly, the Bill, in section 20, provides for the mechanism that would create removal, suspension of persons who have been registered by the Board. I know that the Bill will give effect to the creation of

regulations. However, this particular section defines the actual structure of how the Board would go about dealing with persons being removed, being recategorised, being reprimanded in some form or fashion.

Given the structure of the Boards, there inevitably arises the question, How will the persons who sit on the Board, who are practitioners in this field (not all of them but a good number of them will be practitioners in the construction sphere) be in a position to effectively deal with their own colleagues and those who are also in the business, many of whom may perhaps be people that they would have either sub-contracted with, done joint ventures with, et cetera?

In my mind, Madam Speaker, it winds up a situation that could inevitably become confrontational. That is, you have a person who sits on the Board, who is also a practitioner in the field, who now has to make the decisions to reprimand or revoke someone's licence.

In other pieces of legislation, one of the things that is done is that you actually have a subgroup that deals with this particular aspect, and you try to ensure that the person who actually deals with complaints and this very delicate area, are persons who are a little further removed from the industry. For example, in the Public Accountants Law we make sure that it is a board of lawyers that actually oversees that aspect of the mechanics of how you actually regulate the industry.

In this case, this is one where invariably you will have situations where an employee or director of a larger company would be on the Board. I think there is merit in that. Inevitably they will have situations where some of these are persons they will have subcontracted work to, or gone into joint ventures with.

So, Madam Speaker, I believe that perhaps some thought should be given to having a separate group with a little more independence dealing with and managing this aspect of having to make the decision as to whether or not someone's licence is going to be recategorised, suspended, revoked, et cetera. I believe that (certainly what could happen) an independent body . . . and whilst they may not be practitioners there could be concern that you need to have someone with a particular eye to be able to really look at an overall situation, that subgroup may need some advice from members of the Board. I do not think you are going to get away from that. I think that will be a situation where they are completely disjointed and completely removed, and therefore the Board would look at a situation, being practitioners in the construction sphere and having made decisions to revoke, and this group not being practitioners may not be able to see certain things the way the Board would, would then make the decision not to revoke. So, there would naturally be a very intricate relationship—out of necessity—between a separate body to deal with those actions and the Board itself.

If you look at section 20 (2), which deals with areas where the law says to the Board 'you have to do

this, it says, “**The board shall remove the name of a qualified individual from the register, or revoke his licence where . . .**” and I am going to skip right down to (b), “**the qualified individual has persistently carried on work in a manner which does not display the level of competence expected from a qualified individual.**”

So that level of competence is the type of dynamics I am talking about, where if you do have a subgroup that deals with and manages this specific aspect of the system, they may not have the type of mind, skills and experience to know what that competence should be. But, as I said, they are not going to work in a vacuum. You would never expect that they would work in a vacuum.

Madam Speaker, I believe it is fair to say that would create a dynamic that I think may not wind up being as workable or as smooth as it could be if there were persons who are really removed from the construction field actually dealing with this specific aspect.

Madam Speaker, there were also comments made in regard to people getting less than value for money. That is, people were getting ripped off. There were comments made earlier about poor workmanship. One of the things that I think we all have to admit in this instance is that that has not been (in my opinion) necessarily just as a result of an absence of a piece of legislation. Ultimately, what I consider good workmanship and what another Member of this House considers good workmanship is very subjective. What is competent can become something that is subjective.

So, while we now have a piece of legislation, inevitably you are going to have a range of talents that get registered. You are going to have some contractors who are very, very good; you are going to have some that are not, by my standards, necessarily very, very good. But for whoever their client is, and based on how much they charge, they may be very, very good. Not that their work is going to in any way cause there to be a safety issue with the person's house. I am not going that far. That is gross incompetence as far as I am concerned, if you have a person who is licensed and he does not know how to properly put on a roof, for example.

There may be persons who know how to do things from that safety standpoint at the level that is required by the building codes of the country. But just because not every carpenter, not every mason is alike, not all of them do things at the same level.

What I believe is going to be ultimately crucial is the whole complaint aspect of this piece of proposed legislation. I believe that inevitably there is probably going to be (like most things) a learning curve to this; that is, we are going to probably see where there may be perhaps exuberance on the part of some people to complain simply because a job was not done to their liking. Not that the job in any way is in noncompliance with the building code. The job gets passed, et cetera, by the building inspectors because

the work is done. We have to ensure that how the complaint section is managed is fair on both sides.

Ultimately, we do need the private sector to perhaps do a little bit of a better job in terms of their Better Business Bureau. I see the sign here on the MacDonald Square building next door to the Legislative Assembly. The Better Business Bureau is housed along with the Chamber of Commerce. Perhaps those are the types of mechanisms that will start to separate the good from the bad. Perhaps those are the mechanisms that have been weak all along in the country, that have caused there to be persons in this community who continue to call themselves contractors that all of us (if we sat here and were honest) would never hire to build us a dog house, much less a chicken coup. That is just the reality of it.

The one thing that I will say is that whoever sits on this Board is going to have to do a really good job at making sure that frivolous complaints do not start costing the persons in the construction industry a lot of money because they are having to hire legal representatives, et cetera, to defend themselves and keep their licences. We get some people who decide when they want to build that they are simply going to go with whoever provides them the lowest quote.

Once that lowest quote is accepted they are going to expect that person to produce work of the quality that is done in a large hotel. The two just do not go hand-in-hand, Madam Speaker, and we have to make sure that everyone has their place in the industry and that people are not just penalized and forced out simply because the consumer now becomes a bit overzealous in his complaint simply because he did not like the fact that one piece of crown moulding had a gap, or was not perfectly lined up. But I am sure that would not happen, Madam Speaker. I am hopeful.

When we look at the licensing regime being proposed, there are points in there that cause some concern. For example, a residential contractor is defined in this Bill as “**a business entity which constructs, repairs, renovates, extends or improves any building comprising up to four dwelling units, not exceeding three storeys in height, and their ancillary buildings, and “residential construction” shall be construed accordingly;**”

Where there would be a natural concern here, is that I did not see anywhere in the Bill that talked about precisely (and perhaps it is in another piece of legislation, and perhaps the Minister can clarify that point) what is going to be a “dwelling unit.” And, Madam Speaker, what is of particular concern is that a number is put in here. In my mind, when you say “four dwelling units,” we could have a scenario where based on the particular project, four dwelling units could easily be a more complex and bigger job than is a job that is more units but simply smaller, less sophisticated unit.

It would be of interest to find out precisely how that has come about and exactly what . . . you proba-

bly cannot say exactly, but, potentially, what that will do to potential licensees compared to what they do today, and compared to what they are competent of doing. I would have thought, Madam Speaker, that we would be looking in this particular area, perhaps at heights of buildings, because we have to face it.

If your company only has X number of men, and X number of resources, and has only done jobs that are two storeys, perhaps it is a challenge now to say that you are going to be licensed to do a seven storey building. That is a completely different exercise, and we all appreciate that.

I think it is easy to appreciate the height limitation I am talking about because we know how that would then extrapolate on to safety of the buildings and, more importantly, the safety of the persons in the buildings. But this notion of just saying “there will be four dwelling units” . . . I am concerned about what that will do to, as the Honourable Leader of the Opposition has mentioned, the smaller contractors who have always done a good job and their now continued ability to be able to do what they used to do and earn the living they used to earn.

Madam Speaker, if we also look, as my colleague, the Fourth Elected Member for West Bay pointed out, a **“building contractor” means a business entity which (a) constructs commercial, industrial, institutional, residential, or other buildings, including their ancillary buildings, none of which projects exceed three storeys or 25,000 feet; or (b) repairs, improves, extends or renovates buildings of any size where such work does not affect the structural integrity of the building, and building construction shall be construed accordingly;”**

I do not think section (b) causes much of an issue. Where I think the issue comes in is how we rationalise putting this specific square footage. I understand the height. I feel the height is consistent. We are talking about three storeys. But how do we rationalize and come to that particular number? We may very well find out that 99 per cent of the people who we think are small contractors, we will just allow them to be registered and continue to do the work that they need to do. I am not sure. I would be greatly concerned that if the way the Bill is constructed with these measurements, whether or not that would then cause them to have to, in effect, be junior to other companies and what potential impact that could have on the cost of construction.

For example, suppose you have a contractor who used to do buildings of a particular size. But under the new regime, when he goes to get his licence, because of how he has always run his business it is determined that because he is an eight man shop he will not be able to handle anything over X size.

Let me take a step back. Suppose he has never done 25,000 square feet, but he has done a building that is a substantial building that has all of the similar engineering specs, et cetera. He has always

done it, and he has done it well. What happens to him when he has that type of opportunity and that is the edge he wants to operate in, but because that measurement is there and he may not be able to pull out a resume and say *‘Here, I’ve done that’* what would happen to him?

Again, going over the three storeys, I think most of us would agree for the time being that in the initial stages we do need to manage who is allowed to do the seven storey buildings. Completely different story.

Madam Speaker, the one thing that needs some clarity is this whole issue of what I consider to be shell construction companies; that is, those people who simply use a contractor’s licence to serve as an employment agency. From my understanding, it has been those types of operations that have caused the greatest concern in the country. From my understanding it has been those types of operations that have caused the greatest impact on the quality of work and the ability for certain people in the community to actually be able to get work. As I understand it, a lot of them simply have a contractor’s licence, simply have X number of work permits, and simply have those guys wandering around the streets—

[An Hon. Member]: Paying for their own permits

Mr. Rolston M. Anglin: —Paying for their own permits, perhaps paying the owner and then they are out on the streets simply looking work.

How many of us have had people, or know constituents who have had people come up to them asking if they have any work? Yet the person is in the country on a work permit.

My view is, if all this exercise is going to do is to not deal with that situation effectively, then perhaps we are missing the boat, perhaps we are really, really missing the boat. In my opinion it is time for this country to not have a register with, as I understand it, some 300-plus construction companies. I mean, when all of us look at the country and rationalise and think about that, all of us know that there is something drastically wrong with that picture for a community this size.

All of us have heard the stories. A lot of us know of the stories and know of the situations. If integrity is to be brought to the industry through this legislation—and I think that is overall one of the great intentions of the Government bringing the legislation—then integrity must be the order of the day. And the only way to do it is to clean the industry up and to deal effectively with those types of situations. Let us face it. There are going to be political ramifications because all of the companies are owned by Caymanians—they have to be, in order for them to get their Trade and Business Licence. And so, there certainly can be merit in starting to go down this road; however, there are some real concerns.

Just to wrap up, we need to take a close look at how we are going to deal with section 20: it needs

to be dealt with in real life as it were—that is, dealing with the actual hearings as it relates to re-categorisations, suspensions, reprimands or in the ultimate case, the revocation of a licence. I do not believe the interests will be served nor will we get a system that is robust, as we desire, if we simply leave it to the Board as the Board is being proposed by this Bill.

I believe that we need to have some sort of more independent body, a smaller group that actually hears these cases, and then deals with them. To simply have practitioners—and there are more than just practitioners on the Board, I admit that—a Board that has a fair representation of practitioners charged with overseeing their own, I am not sure that that is the best way to go.

We also see that the Bill does give rise to a complaints mechanism. Again, the complaints mechanism is something that on the face of it, and I believe on the whole, will provide great value to the end user, to all of us, the customers. However, there is a balancing act to everything and we have to ensure that the practitioners in the field are not disadvantaged because the complaints mechanism may wind up to be a little too wide open and interpretations might cause a lot of them to simply have to devote too much of their time having to continually defend themselves instead of running their business, and in the ultimate cases, potentially then even having to acquire legal assistance to defend themselves. And so, that is a situation that I think none of us would want to happen.

We also see where there are specific measurements that are put in place as it relates to certain categories of licences and it would be good for the House to hear the actual logic behind that and what the view of the committee that was set up was in terms of what impact that would have in real life when it comes to persons actually applying for and acquiring their licences.

There is one point that I did not hear mentioned, or if it was I did not pick up on it adequately. Because there is going to be a delayed implementation, I am hopeful that this means that persons will be able, once the Board is constructed—and hopefully that happens very soon—and the regulations are put in place, to “test the waters”.

Again, looking at the accounting profession there is a similar scenario happening where our law has now come into effect 2 January 2007. However, the first round of registration is not until next year.

One of the things we are doing is working feverishly to make sure that potential registrants can take their qualifications and experience and actually go through the application process to ensure that there are no issues. For example, you do not have a situation where the law kicks in at midnight of a particular day and you just happen to not have gone through this exercise, or the exercise is not available to you. You then find yourself in a quandary because

the Board is saying to you, ‘No, no. You need this and this and this as well,’ so you cannot get your licence.

Had you had that opportunity, say, from somewhere around the middle of this year, you could then, in other words, clean up your own act, clean up your own shop. Not for us to say to the public, ‘Look, the Bill has been passed. Go clean up your house.’

I think all of us have to be real about how this community operates. My colleague, the First Member for Cayman Brac and Little Cayman made mention of that. Despite the fact that you do have extensive consultative periods, people tend to leave things until the last minute and so you need to try to pull them forward to make sure that through their own actions they do not wind up in hardship because none of us would desire that. Even if it was their fault, that is not the point. The point at that point is that you have a business man or woman who potentially may not be able to operate for a period of time and then they have clients as well.

So, Madam Speaker, we would want to avoid those types of circumstances. If all the mechanisms can be put in place as quickly as possible and people be allowed to bring in their qualifications because perhaps somebody may want to be in a category that where they are today they may not be able to quite get there. But once they know where they stand they may be able to hire the civil engineer or hire the additional person or persons that they need to be able to get them over that hump and be ready for the first thing in 2008 when all of this actually comes into force.

One minor point that I would like to mention, at the very end of section 24(8) of the Bill, says that **“a business entity shall keep at the business premises all records relating to its business for at least twelve months, but where the records relate to a project that runs for two years or more, the records shall be kept for at least twenty-four months after the end of the project.”**

I understand, and I think all of us understand, clearly the intent here. However, because it says **“shall keep”** is there any scope in here for the person not running afoul of the Law if they have rented, for example, a very good strong offsite storage unit. We have to be real about people’s space and what people need to do to best manage their space and run their businesses. And retail space for some people will be relatively expensive and so perhaps they will be able to . . . I think the requirement and I think the spirit is that they need to have these records available. However, to say that it has to be at the business premises I am not sure would necessarily be our intent of this legislature. So, perhaps that will be one that could be considered.

Madam Speaker, one thing that I have noted (and I will end on this) in Schedule 1 where they define the Builders Board, section 2 says that, **“A member of the Board shall, subject to the provisions of this Law, hold office for a period not exceeding**

two years and such member shall be eligible for re-appointment, and the Governor shall, making appointments, ensure that two members retire every two years.”

I searched for this because one thing that did jump into my mind was someone basically sitting on this Board from today and 20 years from now we still see that same person sitting on the Board. And so, you know, I think that natural rollover of Board members would be something that would serve well for the regime that is being anticipated.

With those few words, I eagerly anticipate contributions of other Members. Thank you.

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

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, and I hope I can satisfy the queries of all Members. So, let me start in the sequence that the contributions were made.

Madam Speaker, first of all, in listening to the contribution made by the Leader of the Opposition, I have been struggling a little bit to find out which contractors are the carpetbaggers. I have not quite figured that out yet but—

Hon. W. McKeeva Bush: You've been here long enough you should know who they are.

Hon. D. Kurt Tibbetts: But nonetheless, I will not take the Member's contribution as casting aspersions and I will do my best to reassure him of the thoughts that he expressed, or rather, the fears that he expressed.

[Inaudible interjection from the Honourable Leader of the Opposition]

Hon. D. Kurt Tibbetts: Madam Speaker, this Builders Bill (I mentioned in my initial delivery on the Bill) is brought here to create the necessary legislation to regulate the industry and to protect the consumer. In no way, form or fashion, is it going to disenfranchise, ostracise or disallow bona fide individuals and entities who are operating now in the construction industry from being able to continue to operate.

Tied in along with those fears were also a few expressed by the First Elected Member for Cayman Brac and Little Cayman. And I want to assure everyone that there is nothing that will cause anyone who operates in the industry now not to be able to operate.

There was a fear from many, many years ago about setting this test which could well cause some of our local contractors who have been in industry for a long time, who are very capable but who may not

have had opportunity of the educational standards of nowadays, to have problems. And I want to assure every Member and the public that we have discussed all of that and there is a balance that has to be struck.

The Second Elected Member for West Bay expressed the thought that the industry needs to be cleaned up, and I know the angle from which he was coming. What he was speaking about is the way life was prior to this, anyone could simply go and pay for a Trade and Business Licence and acquire the ability to operate as a contractor and that person may well have been a seamstress or may well have been an accountant.

You see, the way this thing is going to work, just like the laws of the Cayman Islands generally allow individuals participation in a business, you will be able to participate in a business as all the other laws allow you to. But those who are going to be operating the business and working the business have to have certain levels of competencies. This is what is important. It is not so important who owns a business as who operates the business—who is going out there to lay the blocks, who is going out there to supervise the construction job. So, as I lip read there for a minute, who is going to read the plans and make sure the building is being built to specs. Exactly right. So, that is what the whole idea is all about.

Therefore, Madam Speaker, one of the difficulties which obtains presently whereby an individual can go and pay for a Trade and Business Licence and have a business licence and actually borrow workmen who other employers have work permits for to do certain jobs, the difficulty in all of this, with the best of intentions there have to be obvious gaps in supervision that point in time. That is what causes problems. The whole idea is that you have to protect both sides.

People who think they are just doing something sensible to make a living, out of ignorance, can get themselves in real problems finding themselves responsible for certain things in which they got themselves involved and they just really were over their heads. And it is the truth. I have seen that happen. It is not that the person who is the culprit at the end of the day is not a decent individual. It is not that the intentions were not honourable, but simply lack of knowledge and utilising the supposed skills of other people and got themselves in problems. The people do not have their homes, these other people cannot afford to go get other people to finish the job and everybody is in a mess. And of course, we must clean it up as has been said before. We cannot continue to operate like that and hope for the best.

We need to shed the fears about causing our own undue hardships. It is not intended that way. It is not going to happen that way. If two weeks after the Law is in operation we find that something is not perfect we will change it. But we will have to do the best we can having thought it through the best we can as in any other legislation. All I want to assure Members here is that there is no fixation in what is being

brought and if when it is in practice you find certain things need to be changed then we change them as quickly as possible.

The honourable First Elected Member for Cayman Brac and Little Cayman mentioned in her contribution the thought of a Board for Cayman Brac and Little Cayman. I have not had the opportunity to discuss this with the technocrats. I know we discussed the fees. I do not know what, if any, thought was given about that. I certainly do not have a problem if the logistics allow for that. What I would ask the honourable Member to accommodate us with, if the Member is okay with this, the Law will not come into force until 1 January 2008. There could well be a few other changes that might be needed once we get the office set up and once we get the machinery running. I give the Member my commitment that we will deal with that by the time the Law comes into force. We will. Yes, Madam Speaker, we will deal with it like that.

I only say that because I want to make sure that that is the right thing. I am not suggesting it is not. I just want to make sure that I have the ability to go through all of the other stuff with the office to make sure that that is something that is practical, that is all. But I mean, otherwise, as simply a matter of expressing a thought; I certainly do not have a problem with it at all.

The question of qualified people doing charitable work, let me say one of two things: First of all, if the person is a person in the industry and operating within the industry here in the Islands at the time, then certainly I would assume that that person already has a licence. If the person is operating within industry, meaning that person would have a licence to operate either as an individual or as a company to do whatever that person is doing.

If, for instance, as I know there are cases where you will have, as was mentioned, church groups or other volunteer groups who may come down at times specifically for certain projects as is known to happen, then all that would simply happen would be whoever the supervising individual or individuals are would simply deal with the Board and say, *'Look, this is a fixed situation. This is exactly what happened'* and then they can sort it out. That absolutely will not be a problem. Of course, I have to say that there is going to be a need for someone to be able to supervise – simply because with the best of intentions if it is not done properly then there is a risk and we just do not want to employ that risk. I do not think anybody will have a problem with that as much as we would like work to be done free and we are happy that people are willing to do that. So, I do not see a problem with that at all.

Somebody mentioned earlier about changing a lock. I do not know whether the example was used in jest or whether they were serious, but I really would not envision anyone needing a licence to change a lock. I certainly am not going to apply for a licence to change a lock in my house. I am just saying it is not all

about that. It is not about nitpicking or being too particular.

The situation that will obtain, you will have the Board. Members have talked about the construct of the Board, how it is made up, and the numbers, and where Members will be coming from. It is going to be like any other politically appointed Board, meaning the Governor in Cabinet. Someone can have a work permit now and if something goes wrong and there is something untoward that happens, the Work Permit Board has the authority to revoke that work permit and that is not something that is questionable. There is an appeals process and that is exactly what will obtain in this situation. There will be an Appellant Board for which either side can appeal a decision.

So, the process is going to be similar to what we are used to system wise, it is nothing new, and it is simply a matter of ensuring as we need to do with all of our boards. I do not think we are at the point yet where all of the appointments that are made to boards should get to the point where there are simple administrative appointments and they work as a civil servant. There may well be the time coming very shortly when we need to be doing that with some of those boards that are extremely busy and actually it is becoming almost impossible to find credible individuals who have the time to spend to do the job properly and we have to be looking at that. But I do not envisage this being one of them. I envisage initially that there will be a fairly busy time and after that I think it will just be normal business as usual.

The Second Elected Member for West Bay was questioning the timing of individuals making their applications and making sure that they do not get caught flat-footed, so to speak, in that after 1 January they make their application, they find out that something is not right and then they do not have any time.

Madam Speaker, let me just say that in practice how it is going to work is, the Board is going to work with individuals thus I mentioned earlier on about an educational process for the public and all stakeholders and all like that. They are going to work through the processes with everybody so that they are familiar with it – that you do not get caught like you are going into a CXC exam and you do not know what the questions are. When I say the questions I mean that you do not know what the subject matter is or anything like that and you have not studied and you are not prepared. It is not quite like that. People are going to have the time to know what they have to deal with.

The whole purpose of that exercise is to objectively ascertain competency. It is not about who writes the fanciest; it is not about who has the highest qualifications; it is a matter of competency and all of the processes will be geared around competency. If somebody is a good builder and that is what they do, then there will be no restrictions because it will be obvious with the way that they are tested that they know what they are doing.

[Inaudible comments by Hon. Leader of the Opposition]

Hon. D. Kurt Tibbetts: Madam Speaker I do not usually fall to the temptation but let me just say this to the Leader of the Opposition. It does not matter how you make this thing up. It is physically impossible to have it to deal with in a situation where everything that you do can deal with every single person. It is just physically impossible.

So, what may seem to be wide in the way the Law is coming forward now, there is nothing threatening. It would be stupid for any one of us to bring legislation to this honourable House that would cause for arguments back and forth and people questioning how you are trying to prevent them making an honest living and this is what they have been doing all their lives and all this kind of stuff. It really would not make any sense, This is not one of those pieces of legislation where you have to make up your mind what is good and sometimes it cannot be seen right away. That happens to all of us depending on where we sit while we are here.

So, having said all of that I hope I have covered most, if not all, of the points that have been raised and I trust that the honourable First Elected Member for Cayman Brac and Little Cayman will be satisfied.

One more thing: I do recognise the point in, I think, section 24(8) that the Second Elected Member for West Bay brought up. I would ask for him to accept the same thought from me in that I see exactly the point that he is making and I think it is just a matter of clarification by rewording that section so that when he opens his construction business and he has a very small office that he will not be forced to keep all of his records in his one little cubicle. I say that in jest because that was the point he was making. The point he was making was that office space may not allow you to keep your records for two years afterwards and the way it is worded does not quite take care of it is offsite storage. I do accept the point.

So, we will look at those. The Director of Planning is here. He is making notes and we will ensure that what is necessary amendment wise is taken care of.

I do trust that Members will see it fit to support the Bill and I look forward to being able to report to this Honourable Legislative Assembly the progress.

Thank you, Madam Speaker.

The Speaker: The question is that a Bill shortly entitled The Builders Bill, 2007, be given a second reading. All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The ayes have it. The Builders Bill, 2007, has been given a second reading.

Agreed: The Builders Bill, 2007, given a second reading.

The Speaker: Proceedings will be suspended for 15 minutes.

[Inaudible interjection]

The Speaker: I am sorry, the Leader of Government Business has caught my attention for the adjournment of this honourable House for the day.

Honourable Leader of Government Business.

ADJOURNMENT

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, with the best of intentions, we were going to try to do Finance Committee this afternoon. Unfortunately Members debated this Builders Bill a little bit longer than we anticipated. So, tomorrow morning we will resume Finance Committee at 10 o'clock, and once Finance Committee is finished we will come back into the Legislative Assembly, deal with the Immigration (Amendment) Bill and the report of Finance Committee.

Therefore, Madam Speaker, with your kind permission, I beg to move the adjournment of this honourable Legislative Assembly until the completion of Finance Committee tomorrow.

The Speaker: The question is that this honourable House do now adjourn until Finance Committee completes its business tomorrow. All those in favour please say Aye. Those against, No.

Ayes.

The Speaker: The ayes have it. This honourable House now stands adjourned.

At 3.51 pm the House stood adjourned until the completion of the meeting of the standing Finance Committee.

OFFICIAL HANSARD REPORT
FRIDAY
23 MARCH 2007
3.56 PM
Third Sitting

The Speaker: I call on the Fourth Elected Member for the district of 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 3.58 pm

**READINGS 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 Bodden Town, the Honourable Leader of the Opposition

and First Elected Member for West Bay, Third Elected Member for the district of West Bay and the Second Elected Member for the district of Cayman Brac and Little Cayman.

**PRESENTATION OF PAPERS
AND OF REPORTS**

**Report of the Standing Finance Committee on the
4th Supplementary Annual Plan and Estimates for
the Government of the Cayman Islands for the fi-
nancial year ending 30th June, 2007**

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 Report of the Standing Finance Committee on the 4th Supplementary Annual Plan and Estimates for the Government of the Cayman Islands for the financial year ending 30th June, 2007.

The Speaker: So ordered.

Does the Honourable Member wish to speak thereto?

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

The 4th Supplementary Annual Plan and Estimates for the year ending 30th June 2007 was laid on the Table of the House on 22 March 2007, that is yesterday, and by virtue of Standing Order 67(1) those Estimates were referred to Finance Committee. In addition, I moved a motion in the House that the Committee approves the Supplementary Appropriation request set out in section 9 of the Supplementary Annual Plan and Estimates.

The Committee met today, 23 March, to consider the Schedule of Supplementary Appropriations as set out in section 9 of the 4th Supplementary Annual Plan and Estimates. The Committee approved all of the 22 items listed in that section of the Annual Plan and Estimates and it also approved the motion referred to it by the House, which was that it grant approval and grant authority for the Appropriation request that was set out in section 9 of the Supplementary Annual Plan and Estimates.

The Committee also agreed that the Report just tabled be the report of the Committee back to the House.

Thank you, Madam Speaker.

Educators' Conditions of Service Task Force Report

The Speaker: I recognise 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 a report entitled Educators' Conditions of Service Task Force submitted to me by Mr. Conor O'Dea, Chairman of the Task Force on Educators' Conditions of Service.

The Speaker: So ordered.

Does the Honourable Minister wish to speak thereto?

Honourable Minister of Education.

Hon. Alden M. McLaughlin, Jr.: Yes, Madam Speaker.

In an effort to address one of the key action points arising from the National Education Conference in September 2005, I formed the Task Force to undertake a review of compensation levels, employment terms and conditions of educators within the Cayman Islands government education system.

The Task Force consisted of 12 individuals and met twice a month from October 2006 to December 2006.

The Task Force first reviewed the current state of the Cayman Islands Government remuneration practices, policies and procedures along with any proposed changes. The team then conducted an examination and comparison of remuneration practices for educators in selected countries across the world. In addition, a survey was conducted of all public service educators which received an over two-thirds response rate.

The results of the review concluded that there is a need for a number of changes in the compensation levels and employment terms of conditions within the Cayman Islands Government education system.

The examination of other international systems indicated that there is considerable variation in the approaches taken to address this issue elsewhere. The survey provided some valuable direct feedback from Cayman Islands' educators and highlighted the urgent need for increased communication between Government and educators in the areas of benefits and entitlements.

The research provided some justification for higher salaries for educators, however, evidence of a relationship between the pay and quality of educators and outcomes for students is inconclusive worldwide. Overall, the Task Force found locally that educators are most concerned about feeling valued, having opportunities to develop and trusting their employer, in this case, the Government.

The Task Force has several key findings and recommendations which are summarised in the Report. Recommendations do not come with any implementation plan or costings and many of them require further investigation before finalising implementation.

Madam Speaker, the key findings are these:

- A moratorium was placed on salary increments in 2001. Educators' salaries have become uncompetitive as evidenced by difficulties with the retention of good educators and recruitment of quality educators.

The recommendation of the Task Force is that automatic annual salary increments should not be re-introduced. Instead, all increases in salaries should be linked to performance while ensuring they remain competitive.

The second key finding:

- In general, the Cayman Islands Government uses a Cost of Living Adjustment ("COLA") to maintain salaries in line with inflation. Cost of Living Adjustment is a flat across-the-board increase unrelated to performance.

The recommendation of the Task Force is that salaries should be reviewed annually based on individual educators' appraisals and as part of the performance management system. Salary scales should be increased annually in line with inflation.

The third finding:

- Educators are not sufficiently aware of their remuneration and entitlements.

The recommendation is that pay and entitlement should be clearly communicated to all educators on a regular basis with immediate introduction of an annual benefits statement.

The fourth finding:

- The survey showed that educators do not strongly support the performance related remuneration system. They would, however, support a system that is partially based on performance.

The recommendation is that Government should review the introduction of a performance related remuneration system as the Task Force believes it to be the most productive way of improving the quality of teaching and education.

The fifth finding under "Remuneration":

- Comprehensive and up-to-date job descriptions do not exist in many cases. Some educators' roles have also not been evaluated in many years.

The recommendation is that a priority is to have job descriptions reviewed and rewritten. Following this, a full job evaluation exercise should be undertaken to ensure that educators are appropriately graded for pay scale purposes.

Under "Benefits", the key finding:

- Educators have personal responsibilities which necessitate personal time not allowed for under the present system.

The recommendation is that a personal day policy be developed as part of the educators' benefits package. Additionally, a solution should be sought whereby educators may schedule personal hours in exceptional circumstances.

Under "Professional Development", the key finding:

- The Cayman Islands Government already provides some support for ongoing professional education, however, the offerings are inadequate, and educators are not aware of the various programmes and are not encouraged to participate.

The recommendation is that professional development culture needs to be instilled in education. Administrators and educators must embrace this culture to ensure that standards of classroom teaching are enhanced over time. A comprehensive system which is fully understood by all administrators and educators is necessary.

Under "Performance Management", the key finding:

- The current performance management system and culture is inadequate and ineffective.

The Task Force recommends the introduction of a comprehensive performance management system to ensure improvement in the quality of teaching and subsequently the quality of education. The performance management system would consist of regular appraisals, mentoring, oversight of disciplinary matters, professional development and other needs. It will also tie into salary reviews and a bonus scheme introduced.

Under the category of "Other" there are two key findings:

- There is a significant challenge in recruiting and retaining young Caymanian educators due to uncompetitive salary and working conditions.

The recommendation is the creation of a fast-tracking system for high potential educators with less than five years experience in education should be considered.

The second key finding:

- Educators are dissatisfied with poor surroundings and inappropriate responsibilities.

The recommendation is that the condition of facilities and classroom practices need to be addressed. Job descriptions should assign appropriate responsibilities to facilities management to allow educators to focus on their key accountabilities – teaching and learning.

Madam Speaker, I have laid this Report on the Table of this honourable House so that all Members, and indeed the broader public, will have a clear understanding of what the Task Force has done, what it has considered, and what it has recommended. A significant number of the recommendations which are in the Report are already being adopted as part of the overall exercise which is underway in relation to the transformation of the education system.

I would like to take this opportunity to pay tribute to the Task Force for the tremendous amount of time, energy and skill that they have exercised and devoted in relation to the preparation of this Report, and in particular to give my thanks to Mr. Conor O'Dea who chaired the Committee. I thank him and all members of the Committee, again, for their support and for their tremendous contribution to this effort.

Thank you, Madam Speaker.

STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF THE CABINET

Comprehensive Cardiac Services

The Speaker: I have received notice from the Honourable Minister responsible for Health to make a statement.

Honourable Minister.

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

I know statements have been made that Cayman does not provide comprehensive cardiac services, but the people in these Islands have been receiving cardiac care for many years and are well aware of the array of specialised services offered at our hospital. In fact, the Health Services Authority has

been developing a comprehensive cardiovascular service of the Cayman Islands hospital for some time. The hospital provides many specialised services for interventional cardiology and endovascular procedures.

I would also like to speak briefly to the issue of a cardiac cath lab and the view that if we do not have one, we are placing our people at risk.

No patient under the care of our hospital is in danger because there is no cath lab. Moreover, we lack the critical volume that would necessitate a cath lab. Beyond this obvious fact, qualified people would know that in order to safely operate a cath lab one would need a cardiovascular facility in the event of any complication occurring as a result of any invasive procedures done. More importantly, there are actually other specialised services offered which are not as invasive as a cath lab that provide doctors with the same diagnostic information.

I am pleased to report that three sophisticated cardiac procedures—implanting, defibrillator and pacemaker devices—were successfully done at the George Town Hospital just this past week, so the view that one has to go overseas to have such procedures done is not so.

Madam Speaker, I have more good news: The Health Services Authority (HSA) has just last week signed a contract with one of the leading cardiologists in South Florida, Dr. Kevin Coy, who has strong connections with the Cayman Islands having practiced in these Islands for many years. Dr. Coy is an international specialist in cardiac catheterisation, pacemaker implantation, and other heart and coronary artery diseases. I understand that Dr. Coy will operate biweekly clinics at the hospital and will also be available for consultation and patient referral.

Even though heart disease, in most cases, is a preventative problem, as a Health Minister, I am also aware that it continues to be a global epidemic that affects many of our people right here in these Islands. So, it would be remiss of me not to highlight that while treatment services are important, prevention is always better than cure. There are many health initiatives and programmes on the Island that give people the tools they need to get fit and eat right in order to maintain a healthy heart.

It is this PPM Government's mandate to provide services that are most needed by the people of these Islands, but equally, every member of the public must accept personal responsibility for their health and well-being by maintaining a healthy lifestyle. Good health is wealth.

Thank you, Madam Speaker.

GOVERNMENT BUSINESS

BILLS

FIRST READING

Supplementary Appropriation (July 2006 to June 2007) Bill, 2007

The Clerk: The Supplementary Appropriation (July 2006 to June, 2007) Bill, 2007.

The Speaker: The Bill is deemed to have been read a first time and is set down for the Second Reading.

SECOND READING

Supplementary Appropriation (July 2006 to June 2007) Bill, 2007

The Clerk: The Supplementary Appropriation (July 2006 to June 2007) Bill, 2007.

The Speaker: I recognise the Honourable Third Official Member.

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

I beg to move the Second Reading of a Bill entitled The Supplementary Appropriation (July 2006 to June 2007) Bill, 2007.

The Speaker: The motion has been duly moved and is open for debate.

Does the Honourable Member wish to speak thereto?

Hon. G. Kenneth Jefferson: Yes, thank you, Madam Speaker, just to make a brief contribution.

The purpose of this Bill is to seek the Legislative Assembly's approval for the supplementary appropriations in respect of the Government's financial year that will end on 30 June 2007. In order to undertake these transactions the approval of the Legislative Assembly is required, and that approval is sought via this Supplementary Appropriation Bill.

The Bill itself is exceedingly simple. It consists of three main parts: clause 1 gives the name of the proposed Law; clause 2 speaks to the appropriation authority, which the Bill, if passed into Law, would provide so that the supplementary appropriations can actually be incurred; and the third part is the Schedule to the Bill.

The details of the supplementary appropriations are given in the Schedule to the Bill. Those same items in the Schedule to the Bill have been considered by Finance Committee, and Finance Committee has, in fact, approved those supplementary appropriations in respect of the year to 30 June 2007.

As those items were questioned and scrutinised in Finance Committee earlier today, it is not necessary for me to comment on the Bill any further. I would therefore ask honourable Members to support the Bill.

Thank you, Madam Speaker.

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

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

Hon. G. Kenneth Jefferson: Madam Speaker, only to thank all honourable Members for their silent support.

Thank you.

The Speaker: The question is that a Bill shortly entitled The Supplementary Appropriation (July 2006 to June 2007) Bill, 2007 be given a second reading.

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

Ayes.

The Speaker: The Ayes have it. The Supplementary Appropriation (July 2006 to June 2007) Bill, 2007 has been given a second reading.

Agreed. The Supplementary Appropriation (July 2006 to June 2007) Bill, 2007 given a second reading.

Suspension of Standing Order 46(4)

The Clerk: Suspension of Standing Order 46(4) to enable The Immigration (Amendment) Bill, 2007 to be read a second time.

The Speaker: I recognise the Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, I move the suspension of Standing Order 46(4) in order to allow the Immigration (Amendment) Bill, 2007 to be read a second time.

The Speaker: The question is that Standing Order 46(4) be suspended in order to allow The Immigration (Amendment) Bill, 2007 to be read a second time.

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

Ayes.

The Speaker: The Ayes have it.

Agreed. Standing Order 46(4) suspended to enable The Immigration (Amendment) Bill, 2007 to be read a second time.

The Immigration (Amendment) Bill, 2007

The Clerk: The Immigration (Amendment) Bill, 2007, Second Reading.

The Speaker: I recognise the Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, I move the Second Reading of the Immigration (Amendment) Bill, 2007.

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, when I introduced The Immigration (Amendment) (No. 2) Law, 2006 to this honourable House, I pointed out at that time that there would very likely be amendments coming forward as the Law began to take effect. This has indeed proved necessary, and some of these amendments are contained in the Bill that is now being tabled.

Many of the proposed amendments are technical rather than substantive in nature. I do not propose to go into those in very great detail, but I would like to point out a few things about some of the proposed changes.

The Immigration (Amendment) (No. 2) Law, 2006 introduced a provision whereby the Immigration Appeals Tribunal may sit in two divisions simultaneously, with each presided over by the Chairman or by a Deputy Chairman. The Law is now being amended to allow for the appointment of as many Secretaries as are needed to facilitate the operation of the two divisions sitting simultaneously.

Also, with respect to appeals, the Law is being amended to the effect that an appeal against a decision by an Immigration Officer stationed in Cayman Brac or Little Cayman is to be made to the Cayman Brac and Little Cayman Immigration Board rather than to the Work Permit Board or Business Staffing Plan Board here in Grand Cayman.

Madam Speaker, you may recall that to be eligible to apply for permanent residence, a person must be legally and ordinarily resident in the Islands for a period of at least eight years. It is proposed that the Law be clarified with respect to the circumstances that will count towards meeting the eight-year residence requirement.

In particular, it is now being made clear that where a person has left the Islands due to the expiry of their term limit and they return at any point thereafter, for any purpose other than as the holder of a work permit or as a Government employee, then any such period spent in the Islands during that period will not count towards the qualifying period.

The provision in the Immigration Law (2006 Revision) which gives the Caymanian Status and

Permanent Residency Board the power to revoke a person's permanent residence on the basis that he or she is resident outside the Islands for an aggregate of more than 90 days in any period of 365 days is being removed. This is due to the fact that this provision was replaced in the Immigration (Amendment) (No. 2) Law, 2006 and this section should have been previously appealed.

With regards to Residency and Employment Rights Certificates for the spouse of a Caymanian, there are several changes which are proposed.

First, where a person has been working by operation of law pending a decision on an application to the Caymanian Status and Permanent Residency Board for the grant of a full Residency and Employment Rights Certificate and this application is refused, then they may continue to work by operation of law until the determination of any appeal against that decision to the Immigration Appeals Tribunal.

Secondly, a person may also continue to work beyond the expiry of a Residency and Employment Rights Certificate if they have submitted an application for its renewal prior to the expiry until such time as determined by the Caymanian Status and Permanent Residency Board or, where the application has been refused and any appeal to the Immigration Appeals Tribunal determined.

Thirdly, it is proposed that where the spouse of a Caymanian has applied for a Residency and Employment Rights Certificate and they have at any time held a work permit or were employed by the Government of the Cayman Islands, or the Government of the United Kingdom in these Islands, then the Board shall approve their application in the absence of exceptional circumstances.

The Law was also previously amended to prohibit the Work Permit Board or the Chief Immigration Officer from entertaining an application for a work permit or a temporary work permit where the company concerned is in breach of the requirement to possess a Business Staffing Plan. In order to be consistent, this section of the Law is now being amended to place the same prohibition on the Cayman Brac and Little Cayman Immigration Board.

With regards to temporary work permits the Law is being amended to the effect that the grounds the Chief Immigration Officer must have regard to, when determining whether to grant or refuse an application for a temporary work permit are the same grounds to be taken into account when deciding whether a temporary work permit should be revoked.

So, despite the very best efforts, it is always a possibility that we may need to bring other amendments from time to time. And I can advise this honourable House that there, perhaps, will be a few more—most of them technical also—amendments which may come for the Budget meeting.

I still remain of the view that, over all, the immigration legislation protects Caymanians, it provides clarity and certainty for employers and work permit

holders, and it promotes inward investment much better than before. We are now also much better equipped to tackle the growing scourge of immigration crime and, certainly, I recommend this amending bit of legislation to this honourable House.

Thank you.

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

Does 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?

Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker. Just to thank all Members because I know if no one rises, it indicates their full support of the Bill.

The Speaker: The question is that a Bill shortly entitled The Immigration (Amendment) Bill, 2007 be given a second reading.

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

Ayes.

The Speaker: The Ayes have it. The Immigration (Amendment) Bill, 2007 has been given a second reading.

Agreed. The Immigration (Amendment) Bill, 2007 given a second reading.

The Speaker: The House will now go into Committee.

House in Committee at 4.25 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 Honourable Second Official Member to correct minor errors and such the like in these Bills?

Suspension of Standing Order 10(2)

The Chairman: It is now 4.26. I will entertain a motion to continue beyond the Hour of 4.30 so that when we get started we can complete the Bill.

Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you, Madam Chairman.

Since we are very much nearing completion, I thank you very much for the opportunity to crave your

indulgence to suspend the relevant Standing Order so that we may continue business beyond 4.30.

The Chairman: The question is that Standing Order 10(2) be suspended in order that we can proceed beyond the Hour of 4.30.

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

Ayes.

The Chairman: The Ayes have it.

Agreed. Standing Order 10(2) suspended to enable business to continue beyond the Hour of 4.30.

The Chairman: Madam Clerk.

National Archives and Public Records Bill, 2007

Clauses 1 through 11

The Clerk: Part I - Preliminary
 Clause 1 Short title
 Clause 2 Interpretation
 Clause 3 Application

Part II - The National Archive and The Records Advisory Committee

Clause 4 The National Archive and the National Archivist
 Clause 5 The Records Advisory Committee

Part III - Care and Management of Records

Clause 6 General duties as to public records
 Clause 7 Records management standards
 Clause 8 Disposal schedules
 Clause 9 Monitoring of records management
 Clause 10 Inadequate records management practices
 Clause 11 Damaging, etc., of public records

The Chairman: The question is that clauses 1 through 11 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 11 passed.

Clauses 12 through 19

The Clerk: Part IV - Storage of Records
 Clause 12 Storage of public records
 Clause 13 Storage of public records by National Archive

Part V - Archival Records and Library Collections

Clause 14 Archival property
 Clause 15 Acquisition of archival property from public agencies
 Clause 16 Acquisition of archival property from other sources
 Clause 17 Recovery of public records in private hands
 Clause 18 Legal deposit of published works
 Clause 19 Services and activities of the National Archive

The Chairman: The question is that clauses 12 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 12 through 19 passed.

Clauses 20 through 24

The Clerk: Part VI - Miscellaneous

Clause 20 Secrecy of public records
 Clause 21 Protection in respect of civil actions or criminal proceedings
 Clause 22 Evidentiary provisions
 Clause 23 Regulations
 Clause 24 Repeal of Law 13 of 1991

The Chairman: The question is that clauses 20 through 24 form part of the Bill. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed. Clauses 20 through 24 passed.

The Clerk: A Bill for a Law to Make Provision With Respect to the Functions of the National Archive and the Management of Records of Public Agencies; 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.

Local Companies (Control) (Amendment) Bill, 2007

Clauses 1 through 5

The Clerk:

Clause 1	Short title
Clause 2	Amendment of section 10 of the Local Companies (Control) Law (1999 Revision) application for licence
Clause 3	Amendment of section 11 – granting of revocation of licence
Clause 4	Amendment of section 13 – fee payable by licensed company
Clause 5	Transitional provisions

The Chairman: The question is that clauses 1 through 5 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 Local Companies (Control) Law (1999 Revision) to Provide for Licensing Fees; 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.

Immigration (Amendment) Bill, 2007

Arrangement of Clauses

Clauses 1 through 8

The Clerk:

Clause 1	Short title
Clause 2	Amendment of section 6 of the Immigration Law (2006 Revision) – appointment and functions of Committees
Clause 3	Amendment to section 11 – Immigration Appeals Tribunal
Clause 4	Amendment of section 14 – appeals from decisions of Immigration Officers
Clause 5	Amendment to section 22 – Acquisition of right to be Caymanian by grant of the Board
Clause 6	Amendment of section 29 – person legally and ordinarily resident in the Islands for at least eight years
Clause 7	Amendment of section 30 – Residency and Employment Rights Certificate for spouse of a Caymanian
Clause 8	Amendment of section 34 – spouse and dependents of the holder of a Residency

Certificate for Persons of Independent Means

The Chairman: The question is that clauses 1 through 8 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 8 passed.

Clauses 9 through 14

The Clerk:

Clause 9	Amendment of section 36 – revocation of Residency Certificate for Persons of Independent Means
Clause 10	Amendment of section 43 – Business Staffing Plans
Clause 11	Amendment of section 46 – grant or refusal of work permit
Clause 12	Amendment of section 50 – term limits
Clause 13	Amendment of section 51 – work permit fees
Clause 14	Amendment of section 52 – business visitors' permit

The Chairman: The question is that clauses 9 through 14 form part of the Bill. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed. Clauses 9 through 14 passed.

The Clerk: A Bill for a Law to Amend The Immigration Law (2006 Revision) to Extend Certain Powers of the Boards; to Effect Minor Modifications with Respect to Term Limits and Permanent Residence; 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.

Builders Bill, 2007

Clauses 1 through 10

The Clerk:

Clause 1	Part I - Preliminary Short title and commencement
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Clause 2	Interpretation
Clause 3	Construction of other expressions
Clause 4	Part II -The Builders Board Builders Board
Clause 5	Part III - Registration of Business Entities Registration of business entities
Clause 6	Criteria for registration of a business entity as a contractor
Clause 7	Penalty for improper exercise of voting rights, etc.
Clause 8	Return of shareholdings to be made before commencing business and annually
Clause 9	Allotment and transfer of shares
Clause 10	Directors may make inquiries

The Chairman: The question is that clauses 1 through 10 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 10 passed.

Clauses 11 through 15

The Clerk:

Clause 11	Reconstruction, etc., of registered company
Clause 12	Company to supply information relating to control
Clause 13	Issuance and expiry of registration as a business entity
Clause 14	Fees for business entities
Clause 15	Removal, suspension, etc., of businesses or business entities from register

The Chairman: The question is that clauses 11 through 15 form part of the Bill. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed. Clauses 11 through 15 passed.

Clause 16

The Clerk: Part IV - Registration of Qualified Individuals
Clause 16 Registration of qualified individuals

The Chairman: I recognise the Honourable Leader of Government Business with an amendment to clause 16.

Hon. D. Kurt Tibbetts: Thank you.

Madam Chair, in accordance with the provisions of Standing Order 52 (1) and (2), I move the following amendment to the Builders Bill, 2007: that

the Bill be amended as follows: Clause 16(2) by deleting "9" after the word "section" and substituting therefore "17".

The Chairman: 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 16 passed.

The Chairman: The question now is that the clause as amended form part of the Bill. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed: Clause 16 as amended passed.

Clauses 17 through 20

The Chairman:

Clause 17	Criteria for registration as a qualified individual
Clause 18	Issuance and expiry of a licence as a qualified individual
Clause 19	Fees for qualified individuals
Clause 20	Removal, suspension, etc., of qualified individuals from register

The Chairman: The question is that clauses 17 through 20 form part of the Bill. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed. Clauses 17 through 20 passed.

Clauses 21 through 29

The Clerk:

Clause 21	Part V – Offences and Proceedings Holding out as being registered
Clause 22	Offences relating to registration
Clause 23	Fraudulent entities in the register
Clause 24	Appointment and powers of enforcement officers
Clause 25	Obstruction, etc., of officers of the Board
Clause 26	Non-compliance notices and appeals against them
Clause 27	Powers of court in relation to non-compliance notices
Clause 28	Application of offences to business entities
Clause 29	Appeals

The Chairman: The question is that clauses 21 through 29 form part of the Bill. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed. Clauses 21 through 29 passed.

Clauses 30 through 41

The Clerk:	Part VI - Complaints
Clause 30	Right of public to complain
	Part VII -Miscellaneous
Clause 31	Confidentiality
Clause 32	Service of documents
Clause 33	Onus of proof
Clause 34	Proof by certificate
Clause 35	Precondition for prosecution
Clause 36	Offences by officers, etc., of corporate bodies
Clause 37	Effect of infringement on business transactions
Clause 38	Powers of company limited to those set out in incorporating documents
Clause 39	Directives
Clause 40	Regulations
Clause 41	Transitional

The Chairman: The question is that clauses 30 through 41 form 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 41 passed.

Schedules 1 and 2

The Clerk:	The Builders Board
Schedule 1	Fees for Business Entities and Qualified Individuals.
Schedule 2	

The Chairman: The question is that Schedule 1 and Schedule 2 form part of the Bill. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it.

Agreed. Schedule 1 and Schedule 2 passed.

The Clerk: A Bill for a Law to Establish a Body to be Known as the Builders Board; to Provide for the Registration of Business Entities and Qualified Individuals; 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 to the House. All those in favour, please say Aye. Those against, No.

Ayes.

The Chairman: The Ayes have it. The Bills will accordingly be reported to the House.

Agreed. Bills to be reported to the House.

The Chairman: The House will resume.

House resumed at 4.40 pm

The Speaker: Please be seated.

REPORTS ON BILLS

National Archive and Public Records Bill, 2007

The Clerk: The National Archive and Public Records Bill, 2007.

The Speaker: I recognise the Honourable Acting First Official Member.

Mr. Donovan Ebanks: Madam Speaker, I beg to report that a Bill entitled The National Archive and Public Records Bill, 2007 was considered by a Committee of this whole House and approved without amendment.

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

Local Companies (Control) (Amendment) Bill, 2007

The Clerk: The Local Companies (Control) (Amendment) Bill, 2007.

The Speaker: I recognise the Honourable Acting First Official Member.

Mr. Donovan Ebanks: Thank you, Madam Speaker. Madam Speaker, I beg to report that a Bill entitled The Local Companies (Control) (Amendment) Bill, 2007 was considered by a Committee of the whole House and approved without amendment.

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

Immigration (Amendment) Bill, 2007

The Clerk: The Immigration (Amendment) Bill, 2007.

The Speaker: I recognise the Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, I beg to report that The Immigration (Amendment) Bill, 2007 was considered by a Committee of the whole House and was passed without amendment.

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

Builders Bill, 2007

The Clerk: The Builders Bill, 2007.

The Speaker: I recognise the Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, I beg to report that The Builders Bill, 2007 was considered by a Committee of the entire House and was passed with one amendment.

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

THIRD READINGS

National Archive and Public Records Bill, 2007

The Clerk: The National Archive and Public Records Bill, 2007.

The Speaker: I recognise the Honourable Acting First Official Member.

Mr. Donovan Ebanks: Thank you, Madam Speaker.

I beg to move that a Bill entitled The National Archive and Public Records Bill, 2007 be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled The National Archive and Public Records Bill, 2007 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 National Archive and Public Records Bill, 2007 has been read a third time and is passed.

Agreed. The National Archive and Public Records Bill, 2007 given a third reading and passed.

The Local Companies (Control) (Amendment) Bill, 2007

The Clerk: The Local Companies (Control) (Amendment) Bill, 2007.

The Speaker: I recognise the Honourable Acting First Official Member.

Mr. Donovan Ebanks: Madam Speaker, I beg to move that a Bill entitled The Local Companies (Control) (Amendment) Bill, 2007 be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled The Local Companies (Control) (Amendment) Bill, 2007 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 Local Companies (Control) (Amendment) Bill, 2007 has been read a third time and is passed.

Agreed. The Local Companies (Control) (Amendment) Bill, 2007 given a third reading and passed.

Immigration (Amendment) Bill, 2007

The Clerk: The Immigration (Amendment) Bill, 2007.

The Speaker: I recognise the Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, I beg to move that a Bill entitled The Immigration (Amendment) Bill, 2007 be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled The Immigration (Amendment) Bill, 2007 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 Immigration (Amendment) Bill, 2007 has been read a third time and is passed.

Agreed. The Immigration (Amendment) Bill, 2007 given a third reading and passed.

Builders Bill, 2007

The Clerk: The Builders Bill, 2007.

The Speaker: I recognise the Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, I beg to move that a Bill entitled the Builders Bill, 2007 be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled The Builders Bill, 2007 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 Builders Bill, 2007 has been read a third time and is passed.

Agreed. The Builders Bill, 2007 given a third reading and passed.

Suspension of Standing Order 47

The Clerk: Suspension of Standing Order 47 to enable the Supplementary Appropriation (July 2006 to June 2007) Bill, 2007 to be read a third time.

The Speaker: I recognise the Honourable Third Official Member.

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

I beg to move the suspension of Standing Order 47 to enable the Supplementary Appropriation Bill on the Order Paper to be read a third time.

The Speaker: The question is that Standing Order 47 be suspended in order to allow the Supplementary Appropriation Bill to be given three readings in one meeting. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it.

Agreed. Standing Order 47 suspended to enable The Supplementary Appropriation (July 2006 to June 2007) Bill 2007 be given three readings.

Supplementary Appropriation (July 2006 to June 2007) Bill, 2007

The Clerk: The Supplementary Appropriation (July 2006 to June 2007) Bill, 2007, Third Reading.

The Speaker: I recognise the Honourable Third Official Member.

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

I beg to move that a Bill entitled The Supplementary Appropriation (July 2006 to June 2007) Bill, 2007 be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled The Supplementary Appropriation (July 2006 to June 2007) Bill, 2007 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 Supplementary Appropriation (July 2006 to June 2007) Bill, 2007 has been read a third time and is passed.

Agreed. The Supplementary Appropriation (July 2006 to June 2007) Bill, 2007 given a third reading and passed.

The Speaker: That concludes the orders of the day for this honourable House.

ADJOURNMENT

The Speaker: I will entertain a motion for the adjournment.

Honourable Leader of Government Business.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, I move the adjournment of this honourable Legislative Assembly until the First Meeting of the 2007/2008 fiscal year, at 10 am on the morning of Friday, 27 April.

The Speaker: The question is that this honourable House do now adjourn until 27 April. All those in favour, please say Aye. Those against, No.

Ayes.

The Speaker: The Ayes have it. This honourable House now stands adjourned until 27 April 2007.

At 4.49 pm the House stood adjourned until 10 am Friday 27 April 2007.