



**CAYMAN ISLANDS
LEGISLATIVE ASSEMBLY**

**OFFICIAL HANSARD REPORT
ELECTRONIC VERSION**

2016/17 SESSION

1 June 2016

*Second Sitting of the First Meeting
(Pages 33-78)*

**Hon Juliana Y O'Connor-Connolly, JP, MLA,
Speaker**

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PRESENT WERE:

SPEAKER

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

MINISTERS OF THE CABINET

Hon Alden McLaughlin, MBE, JP, MLA	<i>The Premier</i> , Minister of Home Affairs, Health and Culture
Hon Moses I Kirkconnell, JP, MLA	<i>Deputy Premier</i> , Minister of District Administration, Tourism and Transport
Hon D Kurt Tibbetts, OBE, JP, MLA	Minister of Planning, Lands, Agriculture, Housing and Infrastructure
Hon Marco S Archer, MLA	Minister of Finance and Economic Development
Hon Osbourne V Bodden, MLA	Minister of Community Affairs, Youth and Sports
Hon G Wayne Panton, MLA	Financial Services, Commerce and Environment
Hon Tara A Rivers, MLA	Minister of Education, Employment and Gender Affairs

EX OFFICIO MEMBERS OF THE CABINET

Hon Franz I Manderson Cert. Hon., JP	Deputy Governor, ex officio Member responsible for the Portfolio of the Civil Service
Hon Samuel W Bulgin, QC, JP	Attorney General, ex officio Member responsible for the Portfolio of Legal Affairs

ELECTED MEMBERS

GOVERNMENT BACKBENCHERS

Mr Roy M McTaggart, MLA	Second Elected Member for George Town
Mr Joseph X Hew, MLA	Sixth Elected Member for George Town

OPPOSITION MEMBERS

Hon. W. McKeeva Bush, OBE, JP, MLA	<i>Leader of the Opposition</i> , First Elected Member for West Bay
Mr Bernie A Bush, MLA	Third Elected Member for West Bay
Capt A Eugene Ebanks, JP, MLA	Fourth Elected Member for West Bay

INDEPENDENT MEMBERS

Mr Anthony S Eden, OBE, JP, MLA	<i>Deputy Speaker</i> , First Elected Member for Bodden Town
Mr Alva H Suckoo, MLA	Fourth Elected Member for Bodden Town
Mr Winston C Connolly, Jr, MLA	Fifth Elected Member for George Town
Mr D Ezzard Miller, MLA	Elected Member for North Side
Mr V Arden McLean, JP, MLA	Elected Member for East End

**OFFICIAL HANSARD REPORT
THRONE SPEECH AND BUDGET ADDRESS
FIRST MEETING OF THE 2016/17 SESSION
WEDNESDAY
1 JUNE 2016
10:18 AM
Second Sitting**

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

The Speaker: Good morning.

I will call on the Honourable Premier to say prayers.

[Pause]

The Speaker: Will someone please call the Sergeant to the Chambers and have him deliver the prayer to the Honourable Premier?

[Pause]

PRAYERS

The Premier, Hon. Alden McLaughlin: 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 Premier, the Speaker of the Legislative Assembly, the Leader of the Opposition, Ministers of the Cabinet, ex-officio Members 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.

ADMINISTRATION OF OATHS OR AFFIRMATIONS

The Speaker: None.

READING BY THE HONOURABLE SPEAKER OF MESSAGES AND ANNOUNCEMENTS

The Speaker: Honourable Members, I have been intimately involved directly or indirectly with politics for the past 24 years. I must say that when we met on Monday last, I tried from then until now to get a full description of what was my view from the Chair and to my right. I am trying to be as generous and as conservative as I can be in the conveyance of my findings, and/or expressions. I have chosen to term it as a *comedy of errors*.

I thought this morning when we convened, that things, administratively and otherwise, would have improved.

When Her Excellency the Governor graces us with her presence, it is not in her personal capacity, but, in fact, she is here to represent, especially on Opening Day, Her Majesty the Queen. And while we are still a democratic government, fashioned after and styled after the Westminster form of parliamentary democracy, and whilst I still have the honour and the distinct pleasure of being the Speaker in this Chair, or fulfilling any other capacity in this honourable House, I will not in any form or fashion tolerate disrespect to Her Majesty's Government.

There is a distinct procedure under our Standing Orders. If we find fault or a reason to conclude there is gross misconduct or otherwise, to deal with it by way of a substantive motion and that includes this Chair. I have no fear of any such motion, either for myself or Her Majesty's Government's representative. But I must tell you I was most disappointed, disgusted, disgruntled and even depressed to sit in that Chair and see some of what transpired here.

At this stage, it takes everything within this Chair not to itemise what I observed transpiring on Monday. And for the purposes of this presentation, I will refrain from so doing. But if called upon, I will call

out each infraction within this Chamber, Protocol Office and in the Dining Hall.

I would ask Members to be reflective of the awesome responsibility—and invited guests, because it was not just limited to Members in this honourable Chamber.

I am very grateful that the Deputy Governor is here this morning. He had an Acting person so I did not raise it then. And for those who are so ill-informed who do not understand the parliamentary procedure when the Speaker suspends the House, moves to the right, it is to allow Her Majesty's representative to occupy the Chair. The House is in suspension, and the Speaker cannot interject or interfere at that moment. So, any advice to the contrary that the Speaker could have intervened is nothing short of a fallacy.

I apologise to the listening public that I have had to take up the precious time of the House, seeing that we are at such an important juncture, to deal with it. But I felt that it would be entirely remiss of me not to express my deep disgust of what transpired on Monday.

I thank you for the opportunity, and again I reiterate: I have no fear or favour if Members feel like moving a substantive motion as the result of the position I have taken this morning. Do as you please.

Madam Clerk, next item.

PRESENTATION OF PETITIONS

The Speaker: None.

[Pause]

PRESENTATION OF PAPERS AND OF REPORTS

MINISTRY OF HOME AFFAIRS ANNUAL REPORT 2014/2015

The Speaker: I recognise the Honourable Premier, Minister of Home Affairs, Health and Culture.

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

I beg to lay on the Table of this Honourable House the Annual Report of the Ministry of Home Affairs for the year 2014/15.

The Speaker: So ordered.

Does the Honourable Premier wish to speak to his report?

The Premier, Hon. Alden McLaughlin: No, thank you, Madam Speaker.

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

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

Hon. W. McKeeva Bush, Leader of the Opposition: Madam Speaker, this is a very important report, which we have not had time. . .

[Inaudible interjections]

An Hon. Member: Oh, no, no, no.

Hon. W. McKeeva Bush, Leader of the Opposition: No, Madam Speaker. Yes. I rose to talk, but not on the Home Affairs matter. It was on the report of the missing persons, which I don't think we've got to as yet.

The Speaker: Next item, please.

FINANCIAL STATEMENTS OF THE CAYMAN ISLANDS HEALTH SERVICES AUTHORITY FOR THE YEAR ENDED JUNE 30, 2014

The Speaker: I recognise the Honourable Premier.

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

Madam Speaker, I beg to lay on the Table of this Honourable House the Financial Statements of the Cayman Islands Health Services Authority for the year ending 30th of June 2014.

The Speaker: So ordered.

Does the Honourable Premier wish to speak to this report?

The Premier, Hon. Alden McLaughlin: No, thank you, Madam Speaker.

FINANCIAL STATEMENTS OF THE CAYMAN ISLANDS NATIONAL MUSEUM FOR THE YEAR ENDING 30 JUNE 2015

The Speaker: I recognise the Honourable Premier.

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

Madam Speaker, I beg to lay on the Table of this Honourable House the Financial Statements of the Cayman Islands National Museum for the year ended 30th of June 2015.

The Speaker: So ordered.

Does the Honourable Premier wish to speak to this report?

The Premier, Hon. Alden McLaughlin: No, thank you, Madam Speaker.

REVIEW OF THE CAYMAN ISLANDS POLICE RESPONSE TO REPORT OF MISSING PERSONS AT SEA, 6 MARCH 2016

The Speaker: I recognise the Honourable Deputy Governor.

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

Madam Speaker, I beg to lay on the Table of this House a report entitled Review of the Royal Cayman Islands Police Response to Report of Missing Persons at Sea, 6th of March 2016.

The Speaker: So ordered.

Does the Honourable Deputy Governor wish to expand upon his report?

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

Madam Speaker, just to read the Executive Summary to which all Members now have copies of the report—The Executive Summary is as follows:

At 23:57 on Sunday, the 6th of March, 2016, a telephone call was received at the Cayman Islands Emergency 911 Service Centre from a member of the public reporting her two children—

The Speaker: Sorry, Deputy Governor. Can I just have a copy of the reports?

[Pause]

The Speaker: Please proceed, sir.

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

At 23:57 on Sunday, the 6th of March, 2016, a telephone call was received at the Cayman Islands Emergency 911 Service Centre from a member of the public reporting her two children and brother missing, having failed to return from a boating trip earlier in the day.

Further investigations revealed that there were five persons on board—three adults and two children. Initial inquiries by the Royal Cayman Islands Police Service resulted in no confirmation as to the whereabouts of the craft or occupants. Search and rescue units were not tasked until daylight the following morning due to concerns over safety of crews.

During their first flight, the Police Air Operations Unit helicopter located the craft, which was subsequently recovered by the Joint Marine Unit launch. However, the occupants were never found, and the cause of the incident remains unexplained.

Following the incident, the Governor of the Cayman Islands called for an independent review of the Royal Cayman Islands Police Service (RCIPS) search and rescue response to this incident. The

United Kingdom Maritime and Coast Guard Agency (MCA) were approached in April 2016 and asked to assist by sending a representative to the Cayman Islands to conduct an independent review of the Royal Cayman Islands Police Service response to reports of the persons missing at sea from 6th of March until the operation concluded.

The review was conducted by the Maritime Operations Commander, Andrew Jenkins, a senior officer with nearly 20 years of search and rescue (SAR) experience, which has included working at various roles, which has encompassed all levels of command from operational through tactical to strategic, as well as working to review incidents, recommend or implement best practice and identify issues when they have occurred.

The review took one week to complete, and a draft report was presented to Her Excellency the Governor on completion. The nominated Justices of the Peace who were assigned to oversee the process were in receipt of the draft report, also.

The conclusions from the review found no major faults with the search and rescue response to the incident either with the Royal Cayman Islands Police Service or the 911 Emergency Service Centre. Information gathering was appropriate, as was search planning both at the onset and as the incident progressed. The decision to not launch either the police helicopter or *Cayman Guardian* during the hours of darkness was concluded to be correct, once all the factors had been considered. And these factors are clearly laid down in this report for clarity.

The incident does, however, highlight some areas for consideration with the SAR infrastructure, in particular the oversight of SAR operations and integration of communications.

Thank you, Madam Speaker.

QUESTIONS TO HONOURABLE MINISTERS AND MEMBERS OF THE CABINET

QUESTION 1: MEPCO—PAYMENTS TO RE: EDNA M. MOYLE PRIMARY SCHOOL

The Speaker: I recognise the Honourable Member from the District of North Side.

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

Madam Speaker, I beg to ask the Honourable Minister of Planning, Agriculture, Lands, Housing and Infrastructure the following question standing in my name: Can the Honourable Minister give an update on the amount paid to MEPCO for its MEP consultancy on the addition to the Edna M. Moyle Primary School?

The Speaker: I recognise the Honourable Minister responsible for Infrastructure.

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

Madam Speaker, to date . . .

Mr. D. Ezzard Miller: That is the wrong question. That question is no longer [INAUDIBLE]. Not your fault.

Hon. D. Kurt Tibbetts: No, I understand.

Mr. V. Arden McLean: Everybody, relax now.

Hon. D. Kurt Tibbetts: Madam Speaker, God is a good God.

[Inaudible interjection]

Hon. D. Kurt Tibbetts: And he is with us. It will be okay.

[Inaudible interjections and laughter]

Hon. D. Kurt Tibbetts: Madam Speaker, the answer, the amount paid to MEPCO to date on the project asked by the Member from North Side has been \$13,900. And let me just add, Madam Speaker, since the answer was prepared and sent down here, I understand that there were ongoing—I don't want to say *negotiations* but perhaps for lack of a more appropriate word, I use that because there were still some . . . I don't have the exact figures, but I'm thinking it's pretty close to \$4,000 that was claimed to be outstanding, but was not paid.

Bear in mind, Public Works directly is handling this matter, not Ministry.

The Speaker: I recognise the Honourable Member for North Side.

SUPPLEMENTARIES

Mr. D. Ezzard Miller: Through you, Madam Speaker. Madam Speaker, can the Minister say whether the Ministry is giving any consideration to permanently eliminating MEPCO from bidding on Government projects, given their terrible performance on this project?

The Speaker: Honourable Minister responsible for Infrastructure.

Hon. D. Kurt Tibbetts: Madam Speaker, the Member will fully appreciate that it is not I who decides those matters.

[Inaudible interjection]

Hon. D. Kurt Tibbetts: I understand. I understand his question. I want to just clarify it all the way through.

So, I have not heard or seen, I have not heard of anything or seen any written correspondence to that nature. I am of the view, based on the supplementary question asked by the Member for North Side, that, it is his view that this is what should occur. If the Member so desires, I will certainly pass his view on to the Ministry staff who are responsible for Public Works, and I'll see what happens. But I can pass the message on if that is what he thinks.

And I also am happy to give an undertaking to the Member and all other Members to get a complete written report so that everybody will know what was not paid, why what was not paid was not paid, so that there can be a full report. Unfortunately, I didn't know . . . Nothing is wrong, but I didn't know this question was on today because I have asked them to do that based on the conversation that we had. And I'm going to get that in any case. But I don't have that available yet.

The Speaker: I recognise the Member for North Side, followed by the Member for East End, and then the Honourable Leader of the Opposition.

Mr. D. Ezzard Miller: Madam Speaker, I thank the Minister for that undertaking because the Minister can confirm that this company was contracted to do mechanical, electrical and plumbing (mep). And, that the Planning Department failed all three of those things, based on the plans that were submitted for those two classrooms.

Having been privileged to attend most of the project management meetings, it was clearly evident that the persons involved had, irrespective—I don't know what their qualifications were, but certainly they demonstrated a serious lack of knowledge about either mechanical, electrical or plumbing during the meetings, and in fact led to additional costs to the project, with walls having to be dug out because they did not include the sinks in the classrooms. They didn't include the sink in the staff room. And the air-conditioning was . . . the only way I could describe it, Madam Speaker, would be a *complete fiasco*, besides it being, in my view, in the limited researches that I have done, largely over-prescribed, like five tons for a 12 by 14 room.

The Speaker: Honourable Member, I take it you are going to be turning it into a question shortly?

Mr. D. Ezzard Miller: Yes, Madam Speaker.

[Laughter]

Mr. D. Ezzard Miller: So, but just laying the groundwork for the question that, given that experience—oh that's coming—

[Inaudible interjection]

Mr. D. Ezzard Miller: You are going to be longer than that.

Can I ask the Minister to give this House an assurance that the staff of the Ministry will seriously look at the performance of this company in these situations?

The Speaker: Honourable Minister responsible for the Infrastructure, I do not know whether you wish to repeat.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker.

I thought I had done so earlier. But in order to allow that observation to become a question, I will answer it and say I will give that undertaking, once more.

The Speaker: I recognise the Member for East End.

Mr. V. Arden McLean, Elected Member for East End: Madam Speaker, I would like to follow up on the first supplementary and response about not having companies work for Government again.

Would the Minister agree with me that when people or professionals are engaged to design projects for the Government, and they design those projects and recommend only the equipment that they have or that they are agents for that they have exclusive rights for, would the Minister agree with me that that is a conflict and that should not occur, especially when there are other means within the country to achieve the same results?

The Speaker: Honourable Minister responsible for the Infrastructure.

Hon. D. Kurt Tibbetts: Madam Speaker, what the Member for East End is asking could well be true. However, in the case where an RFP is sent out, listing design and supply, if the bidding process occurs and the successful bidder is bidding for the design, installation and supply of certain equipment, even if they sell that equipment, if they win the bid then I don't believe there's a conflict, because it means that their bid was the cheapest or the best one, all things considered.

However, I don't know the specific circumstances with this deal (if I may quote-unquote call it that) in North Side. I would have to find that out. But I hope the Member appreciates what I'm saying. Because what he's asking, when I'm outside the box listening, it can be. But then it doesn't have to be if there was a bid which included the supply of that equipment, regardless, because it means that whoever else bid would either have the same situation or they would be getting their equipment from somewhere else if the bid included equipment.

What I don't know is whether this bid included the supply of equipment or whether it was a separate issue. I don't know the answer to that. But I hear the point the Member is making.

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

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

Madam Speaker, can the Honourable Minister say: Who is or what is MEPCO? What are the additions to the school? And what is the total cost?

The Speaker: Honourable Minister responsible for Infrastructure.

Hon. D. Kurt Tibbetts: Madam Speaker, I don't have the exact details. I'll give the answer as best I can.

I know there were two classrooms and a staff room, in addition to walkways and a fence that were totalling some 1,800 square feet of construction that was included in the addition to the Edna M. Moyle Primary School.

I do not know who owns MEPCO. I do not know any of the details. I know that it's a local company. I believe I know who used to own it, but I understand that it has changed hands. So I don't have all the details. I can find all of that out.

In fact, Madam Speaker, just so that everybody will understand, whatever details I had asked for today will be in whatever is sent out to all Members because I will make sure all of that is found out. I just don't know all of that offhand, because I didn't have any direct dealings with the situation. In fact, and I say this not to be misunderstood, but as the Member for North Side said, he was much more involved in it than I was. And we've had dialogue during the course of that construction, plus since then. And it is as a result of some of his observations why some follow-up is being done, to ensure that if there were mistakes made during this situation, that, those mistakes will not occur again.

The Speaker: Honourable Leader of the Opposition.

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

I thank the Minister for at least giving an undertaking that he is going to get some facts for us.

[Inaudible interjection]

Hon. W. McKeever Bush, Leader of the Opposition: That is good but, can you say what the total cost is?

[Inaudible interjection]

Mr. D. Ezzard Miller: They're still working on it McKeeva. It is not finished yet.

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

The Speaker: We will move on to the next question.

QUESTION 2: RUM POINT, WATER CAY AND SAND POINTE JUNCTION, UPDATE

The Speaker: I recognise the Honourable Member for North Side.

Mr. D. Ezzard Miller: Thank you, Madam Speaker.

Madam Speaker, I beg to ask the Honourable Minister of Planning, Agriculture, Lands, Housing and Infrastructure the following question: Can the Honourable Minister give an update on the completion of the Rum Point, Water Cay and Sand Pointe junction?

The Speaker: I recognise the Honourable Minister for Infrastructure.

[Inaudible interjections and laughter]

The Speaker: Honourable Minister responsible for Infrastructure.

[Inaudible interjections and laughter]

The Speaker: Order.

Hon. D. Kurt Tibbetts: Madam Speaker, thank you.

Madam Speaker, the answer is saying that the junction was completed on the 14th of April 2016 with signage installed on the 15th of April. However, as has been pointed out to me by the Member for North Side, in the little island that was built where the road has shifted course, there seems to be a need to pave that very small area in a similar manner to the one done for the entrance into Hutland at the Hutland Road. And I myself have observed a little while ago that that was not completed. So, I will speak to the NRA [National Roads Authority] to ensure that that is done in short order.

For the sake of completeness, Madam Speaker, the Member and others have also pointed out to me that where the new parking lot for the Rum Point has been graded and rolled, that there also needs to be some type of fence put around that so that traffic does not expect or attempt to get out onto the main thoroughfare, because that could be a dangerous situation without their going through the proper roadway. And I have already spoken to the NRA to ensure that they contact the owners to let them know what is expected of them to be done.

The Speaker: Let's move on to the next question.

QUESTION 3: CORAL REEF DAMAGE BY MEGA-YACHTS

The Speaker: I recognise the Honourable Member from the District of North Side.

Mr. D. Ezzard Miller: Thank you, Madam Speaker.

I beg to ask the Honourable Minister of Financial Services, Commerce and the Environment the following question: Can the Honourable Minister explain why the owners of mega-yachts and ships have not been prosecuted to the full extent of the National Conservation Law when they damage coral with their anchors?

The Speaker: I Recognise the Honourable Minister responsible for the Environment.

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

Madam Speaker, the answer: To our knowledge, there have been five incidents involving damage to coral reef resources by vessels in Cayman waters during the tenure of this Administration.

Firstly, there was an incident involving the cruise ship *Carnival Magic*, which took place on the 27th of August 2014. Secondly, there was an incident involving an unknown vessel at the dive site known as *13 Trees* off Seven Mile Beach; that was in March of 2015. Thirdly, there was an incident involving a 60-foot Hatteras sport fishing vessel, I hasten to add, not based in the Cayman Islands, called *Chiquitta* or *Chiquitita*, which grounded on the northwest corner of Cayman Brac on the 18th of May 2015. Fourthly, there was an incident involving the cruise ship *Zenith* in the designated port anchorage area in December 2015. And lastly, Madam Speaker, there was an incident involving the yacht *Tatoosh*, which took place in the Seven Mile Beach Marine Park around the 14th of January 2016.

Each of these incidents was thoroughly investigated and documented by the Department of Environment. The *Carnival Magic* incident occurred just outside the southernmost cruise ship anchorage, number 4, designated by the Port Authority. Investigations revealed that the ship had requested an alternative anchorage to the one assigned by the Port Authority due to prevailing weather conditions, and that the port pilot provided by Bodden Shipping had attempted to anchor the ship in a sand patch south of anchorage number 4 to accommodate this request.

An error resulted in the ship's anchoring chain resting on live reef instead of sand, causing a total impact area of approximately 16,000 square feet, or 1,500 square metres. It is important to note that this incident took place before the relevant section of the National Conservation Law had been commenced. And unlike the NCL, where damage to coral is a strict

liability offence, the Marine Conservation Law requires intent to be established. Due to the close proximity of the incident to the port anchorage area and the complications presented by the involvement of a port pilot, it was decided not to pursue prosecution, but to seek voluntary compensation for the damaged resources from the cruise line. Carnival eventually paid \$100,000, which was used to fund emergency restoration efforts on the site.

As there were no witnesses to the incident which took place in March 2015 at the 13 Trees dive site, the Department of Environment and volunteers eventually righted the broken corals, wedging detached, but live, pieces back into the reef where they could, hopefully, recover.

The incident involving the 60-foot Hatteras sport fishing vessel *Chiquitta* occurred when the mooring line of the public mooring to which the vessel was tied, parted, resulting in the vessel's coming to rest on a shallow reef. The captain was interviewed, and the matter was thoroughly investigated. A total impact area of 925 square feet, or 85.9 square metres, was assessed.

During the course of investigations, the insurance company for the vessel came forward and requested to settle the matter out of court. Applying various damage assessment methodologies to the area, the injury area, and drawing on local legal precedent, the Department of Environment recommended a settlement of around CI \$10,000. On the 12th of August 2015, a cheque of \$12,195.12 was produced as settlement for the incident and subsequently deposited in the Environmental Protection Fund, as required by the NCL.

In December 2015, the Pullmantur cruise ship *Zenith* anchored in a designated, but less used, port anchorage area, causing damage to some of the remaining live coral in the area. Due to the circumstances of the case, a prosecution was not brought against the ship.

The investigations and discussions involving the motor yacht *Tatoosh* incident are still ongoing, and I am therefore not at liberty to discuss the details of this incident any further. Thank you, Madam Speaker.

The Speaker: The Honourable Member for East End.

SUPPLEMENTARIES

Mr. V. Arden McLean: Thank you, Madam Speaker.

Madam Speaker, I wonder if the Minister can explain to us what part does the Port Authority play in ensuring that the environment is protected from anchorage within the territorial waters.

The Speaker: I recognise the Honourable Minister for the Environment.

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

Madam Speaker, the Port Authority, obviously, have designated anchorage areas. And my understanding, certainly based on my own observations and interactions with the Port Authority, is that whenever there are visiting vessels seeking information or advice on anchorage, they direct them to the specific areas that are designated as anchorage areas, or they point them to specific mooring buoys that are installed specifically for the purpose of mooring vessels of that appropriate size. Thank you.

The Speaker: Honourable Member for East End.

Mr. V. Arden McLean: Thank you, Madam Speaker.

Madam Speaker, in view of the Minister's response, I wonder if the Minister can tell us why then are we having moorings, anchorage of vessels, damaging our corals, our marine environment, if they are designated areas.

The Speaker: Honourable Minister responsible for the Environment.

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

Madam Speaker, I think it is clear from the answer that I have given that there have been incidents, which have been reported, which have resulted in damage even within established anchorage areas. And there are other examples which I have mentioned, as well, which reflect perhaps good intentions, but bad execution. And either through recklessness or through negligence or through incompetence, vessels have anchored. And instead of having their chains within sand bottom and having their anchor in clear sand bottom, they end up either anchoring on a reef or anchoring on sand near the reef and then having the chain put out too long, coming back and damaging live coral.

So, Madam Speaker, I think this is a reflection of an unfortunate reality that these risks will exist. And this is one of the reasons that I think, certainly my approach and the department's approach is to try to get some additional mooring buoys in place which are sufficient, of sufficient capacity, to handle the sized vessels that we're talking about.

There are buoys that are available. Certainly, there are a great number of buoys available for smaller vessels. But we do not have sufficient number of mooring sites for very large motor yachts, those that we would typically refer to as super-yachts.

Thank you, Madam Speaker.

The Speaker: Honourable Member for East End.

Mr. V. Arden McLean: Thank you, Madam Speaker.

Madam Speaker, I ask all these questions because of, I guess my prior profession and knowledge of these things. And, yes, I understand negligence. Madam Speaker, that supposedly Minister there, he has some belief of his knowledge with his 60-foot boat, too. But, Madam Speaker—

[Inaudible interjection]

Mr. V. Arden McLean: Well you tell him to stop disrespecting me while I'm speaking, too? Okay? Madam Speaker, I understand . . . you know, they draw people out and then expect not to get response.

Madam Speaker, I understand negligence and the like. I understand all that. But wherever designated anchorage is, it should be in such a place that, in the event the weather changes, the wind changes and the boat, the ship, swing, that it will not damage any sensitive areas. Are we comfortable with these areas? Who approved these areas? Are we comfortable from the national conservation perspective that these areas are of sufficient size that all of this damage does not occur when at anchorage?

The Speaker: Honourable Minister for the Environment.

Hon. G. Wayne Panton: Madam Speaker, there are anchorage areas, certainly—

[Inaudible interjection]

The Speaker: Order.

[Inaudible interjection]

The Speaker: The House will go into five-minute suspension, and I would like to see Members in the large Committee Room.

Proceedings suspended at 11:00 a.m.

Proceedings resumed at 11.27 a.m.

The Speaker: Please be seated.
Proceedings are resumed.

STATEMENTS BY HONOURABLE MEMBERS AND MINISTERS OF THE CABINET

The Speaker: None.

PERSONAL EXPLANATIONS

The Speaker: None.

OBITUARY AND OTHER CEREMONIAL SPEECHES

The Speaker: None.

RAISING OF MATTERS OF PRIVILEGES

The Speaker: None.

GOVERNMENT BUSINESS

BILLS

SECOND READING

APPROPRIATION (JULY 2016 TO DECEMBER 2017) BILL, 2016

[Continuation of debate thereon]

DEBATE ON THE BUDGET ADDRESS AND THE THRONE SPEECH TOGETHER WITH THE GOVERNMENT'S POLICY STATEMENT

The Speaker: Does any other Member wish to speak?

I recognise the Honourable Member for the district of North Side.

Mr. D. Ezzard Miller: Thank you, Madam Speaker.

Madam Speaker, the Throne Speech, delivered by Her Excellency, Mrs. Helen Kilpatrick CB, on Monday, May 30th, was the 16th speech that I have been privileged by the wonderful people of North Side to witness.

Madam Speaker, there was a time when the whole country looked forward to the Speech from the Throne. Indeed, Madam Speaker, at one time this Legislative Assembly had its official opening and a Special Meeting to hear and debate the Throne Speech. The Budget was done in a separate meeting. In those days, the Throne Speech laid out Government's plans for the coming year in some detail.

In recent years, Madam Speaker, successive Governments have combined the Budget Meeting with the Throne Speech, for the two to be debated together, with the benefit to Government that each receives less robust debate and scrutiny, because at the very least, Madam Speaker, under the old system we had two hours for each one.

[Inaudible interjection]

Mr. D. Ezzard Miller: Even more opportunity for robust debate and scrutiny.

Madam Speaker, I was the one who was responsible for the motion to limit speeches when I was here some time ago. I recommended one hour at the time. And I was totally brow-beaten by those, because

. . . And what spurred that motion, Madam Speaker, was the fact that one Member on the Opposition bench had spoken on the Budget for four days. And after the second day, it was impossible to remember whether they were actually repeating themselves or not.

The point being, Madam Speaker, that now that it is combined and then we now have the introduction as what is known as the Budget Policy Statement, by the Premier, so we have to debate three speeches, so to speak. I am not sure of reason it is called a Statement, because under the Standing Orders, if a Minister or the Premier makes a Statement, it can't be debated. One can only ask a few short questions. But it is assumed that that is the Government's plans, which would normally be in the Throne Speech.

Madam Speaker, I think it is unfortunate that the Throne Speech has been diminished and relegated to such a substance-less speech as we've had in the last two-three years, particularly this year. And that's clearly evidenced by the Throne Speech being 8 pages, and the Policy Statement by the Premier being 48 pages, and the Budget Address by the Minister of Finance being some—28 pages.

Madam Speaker, the Throne Speech delivered on Monday, May the 30th, which I am expected to debate, is so short in length and substance, relevance, policy, guidance and plans, that it can only be described as pathetic. It must be embarrassing to her, as Governor, to be asked to deliver a Throne Speech so short on policy and substance by the elected Cabinet. Anyway, Madam Speaker, I will try to find a few statements that the Governor made on which to comment. I guess there is some significance in hers being white, and the other two being red. Maybe this is a clear sign of surrender to the forces that exist.

Madam Speaker, on page 2 of the Governor's address, the Governor says (and I quote): "**This Government has worked hard to achieve the goals it set at the beginning of its term—to strengthen the economy, improve government finances, and enhance the lives of those who live on these islands.**"

Now, Madam Speaker, let's look a little bit at those three "goals," as the Governor termed them. *Strengthen the economy*—tick—done, in a modest way. How? By giving away badly needed revenue through concessions to inward investors to do developments from which they plan to make huge profits. Giving away money that is needed to fund education, both to build badly needed new schools, expand present schools, pay teachers better wages, fund school supplies needed to educate our children and prepare them for the job market; money needed to fund healthcare; money needed to provide assistance to our senior citizens; money needed to improve infrastructure, that these very developers and develop-

ments will stress and stretch to the inconvenience of average Caymanians.

Improve Government finances—tick—done. How, Madam Speaker? Is it through the control of expenses rather than increasing revenue, which I do support, Madam Speaker? The belts needed to be tightened on expenses. And I commend the Government and the Minister of Finance for the necessary controls he has put in place. But in my view, Madam Speaker, too little has been done to eliminate waste and inefficiencies. And I believe that much more can be done in these areas.

But, Madam Speaker, by restoring Government finances, too much emphasis was placed on the denial or reduction of services by not allowing staff where need could clearly be demonstrated, based on poor results, both in benefits, services received and access denied or long waiting lines.

Madam Speaker, one has to go no further than the seamen's benefits, the people who built the country that we enjoy today, who sacrificed much on the high seas to lay the foundation of infrastructure, housing and social harmony that existed in these Islands, which we could market as the next generation to develop the financial industry and the tourism industry. What is happening? People that genuinely need, seamen who genuinely qualify, are being denied the services because the Government has no money. And on the other hand, we have some people getting the benefits who neither need it, deserve it nor earned it.

We only need to drive across to the Needs Assessment Unit. I am going to table a report in this meeting by the Auditor General on the Needs Assessment Unit. I urge Members to read the findings and the minutes, the evidence given by the Chief Officer, by the Director of Children and Family Services, by the Director of the Needs Assessment Unit of how they are denied staff that they need, of how they are denied funding that they need because of the controls of expenditure. While at the same time, we are giving away millions and millions, if not hundreds of millions, of dollars in fees that inward investors should be paying.

The third goal which the Governor says the Government have is to *enhance the lives of those who live on these Islands*—tick—done. Yes, but for the already-wealthy and for non-Caymanians on work permits to remain permanently and qualify for Caymanian status. The average Caymanian—that is the middle-class and lower—are having a tough time in Cayman; lack of job opportunities, lack of promotion in jobs, because their employers are taking the easy route and getting work permits. And the Government is enjoying the revenue, projected revenue for the present Budget, \$99 million.

This Budget is an 18-month Budget, I agree. But it is still \$99 million. And I will comment on the

lack of policies to address that later on, Madam Speaker.

Yet, Caymanians who cannot get promoted—and, Madam Speaker, when I talk about Caymanians, I am talking about qualified Caymanians. I am not talking about people who do not have any education, do not have any experience. I am talking about Caymanians who are both academically qualified and experienced in the current workplace, who are being passed over by their employers for people on work permits. And the Caymanian has to train the person they are bringing in, because they are bringing them from places like the northern territories of Canada, never heard a thing about mutual funds. Yes, they are qualified accountants. But they do shops and stores and Wal-Marts and utilities and stuff like that, nothing about the financial industry. But the Caymanian experience that the Caymanian has is negated, has no value.

All the while, Madam Speaker, Caymanians are faced with increased cost of living. I will give the Government the necessary kudos for removing the duty on diesel for CUC to reduce the electricity bill. But that is not reflected in the cost of a gallon of milk or a pound of sugar.

Madam Speaker, I swear that every week I go to the supermarket the prices have gone up. It seems like they put a price today on it of \$1.50. If it sells, they figure, *Well, we can get \$1.75*, so they put that on for the next week. If it sells at \$1.75, *Maybe we can get \$2.00*. It is not related to cost and a reasonable profit. It is related to what they perceive the market can bear. Because, Madam Speaker, some of the prices that are charged cannot be reasonably justified, given cost, insurance and freight, and cost of operations locally and a reasonable profit.

Madam Speaker, the hard cold facts are that most Caymanians, average working Caymanians, not those who own the law firms and the accounting firms and the corporations and are at the top of the strata—the average working Caymanian, they are worse off today than they were in 2013 or in 2009 or in 2000. All of us are deeper in debt, we have less saving, and we are living paycheque to paycheque. Very few working Caymanians today have any disposable income at the end of the month after paying the bills, to which they can hope to have some savings.

We have in our community reduced hope. In talking to the professional Caymanians now, there is even a reduced expectation; there is an admission, and an acceptance that *I can't get a better job than what I have in my country, no care how hard I work*, because the Government needs the revenue from work permits. And therefore, they're glad to issue the work permits.

There are less educational and work opportunities for our children. And, Madam Speaker, we have to find a way to restore the hope of Caymanians. We have to find a way to restore the expectation. Unna

don't want to hear anything here about *entitlement*, because *they are* entitled to it! This is their country, that if they work hard, if they get an education, they will have an opportunity to get better jobs in their country.

I do not know who the Government or Governor is talking to, but I know the people I represent and the professionals I talk to, as recent as yesterday evening, are expressing countless frustrations in the workplace. They see people come in whom they have to teach. And six months later, they get the promotion to manage over them.

Madam Speaker, I have stated in these Chambers before, if we don't address this . . . revolutions in countries are not caused by poor people and uneducated people. They are the ones who are used and usually abused in the process. It is the educated people in the country who have lost hope and expectation who are going to cause the problems in this country. And we have a responsibility; we have a moral and ethical requirement to do something about this! And it is not reflected in this Budget or the Premier's address or the Throne Speech. If it's there, I cannot find it.

Now, Madam Speaker, it troubles me that the Governor, on page 3, makes this statement: **"Importantly, because of the growing economy, employment—particularly of Caymanians—has improved significantly. The past year has seen the best employment figures since 2007."**

Madam Speaker, the question I want to ask all of us is: *Why are we so comfortable comparing our results to the worst year and claiming success?* All the tourism figures are increases over 2007/08, the worst year. All the employment figures are over that. What about the heyday when we had 100 per cent employment in Cayman, and greater than? But we look for these little nuances and believe it makes us look good and that we are successful at what we are doing.

We need, Madam Speaker, as a Government, to be comparing our success and our failures to the *best* we have had and endeavouring to exceed it—not to take great comfort in the fact that we are better, marginally, than the worst year we ever had. Because, Madam Speaker, as you know—I don't partake of the cocktail party circuit. So, I don't know whether the people that go to Government House, the Caymanians, however few they may be who go to Government House for these cocktail parties, are telling her that employment, particularly of Caymanians, has improved significantly. And I will deal with that a little bit more later on. But I believe, if my memory serves me correctly, just the latest statistic report indicates something like 31 per cent of postgraduate qualified Caymanians unemployed. How can that be a good thing? People who have master's and doctorate's degrees?

Madam Speaker, some of us can remember not too long ago when every Caymanian who wanted

to work had a job. Every able-bodied Caymanian was making a good income and disposable income, payday after payday. Not so long ago, people in my constituency were making \$15 to \$20 as skilled carpenters and skilled masons, being able to afford to educate their children, being able to pay their mortgage on a decent house, being able to own a good car, being able to own a good truck, being able to own tools for their trade.

Today, we could pick up the *Compass* today, and there are ads in there for construction workers, qualified masons, 10 years' experience, \$7 an hour. If you get lucky, it might be \$10. Now, Madam Speaker, something is wrong with this equation.

When I graduated from high school in 1969, I had classmates who went to work at Holiday Inn as a waitress or a bartender, making \$8 and \$10 CI per hour, whether they were waitresses . . . the ladies who would clean the rooms made a little bit less. But they also made a good wage. If you gave the bartender a dollar tip, he put it in his pocket; it was his. He earned it. He didn't have to share it with management. And management could not thief anything from him. Because you handed it to him, he put it in his pocket, it was his.

Madam Speaker, a beer, if I recall, at a Holiday Inn, was \$1. A mixed drink was \$1.50. Today, anywhere along Seven Mile Beach, beer is \$6, \$8 and up. Mixed drink, lower shelf, is \$10-plus. Top shelf is \$12, \$15. And you see ads in the paper where it was \$4 but now that a minimum wage has been put in . . . well it is still \$4 an hour because they can make up the rest with the gratuities, a certain percentage. How is that possible in my country? And all of these developers, all of these inward investors have got millions and millions of dollars in concessions. They neither pay income tax, they neither pay capital gains tax, and they neither pay land tax or property tax. But they are charging \$10 to the drink, paying the poor waitress from somewhere else . . . because Caymanians cannot get the job because the Caymanians need to be qualified with a university degree to be a waitress here now, you know. But they bring them from Timbuktu, have no qualifications, no experience and walk straight into the job. Their friend got the job for them. Only the Caymanians are required.

The Government's answer to that is to start an entry level hotel training school to put people on entry level. What's an entry-level position?

[Inaudible interjection]

Mr. D. Ezzard Miller: The bartender who invented the Mud Slide that these people are now taking out of a machine can't get a job as a bartender in Cayman for the last three-four years because he doesn't have a piece of paper saying he is a certified bartender.

I stood at licensing and heard a new arrival tell the man inspecting his motorbike, when he said to

him—*You know it's not a good idea to ride these kind of cycles around Cayman. They're dangerous!*

Oh he said, *Don't worry about it, I will soon have a car.*

He said, *Well, where are you working?*

I'm working at the Ritz.

Yeah? Oh, you're working as a bartender? You must have got a lot of qualifications and experience as a bartender.

He said, Me? I've never worked in a bar in my life. My friend called me in California and told me they've got some openings down here for bartenders. He put in the form for me and I got the job.

Madam Speaker, I have confirmed this through FOI [Freedom of Information] at Immigration. I have FOI'd the qualifications of waitresses and bartenders in these hotels over a period of time. And I think, out of over 100 positions that they gave me, there were only three people who had any qualifications or experience at it. But the Caymanian who walks in the door is treated like a criminal. He has got to have all of these things and all of these requisites.

Madam Speaker, I do not know the solution to the problem. It is above my pay scale. But we have to find a way to address the feelings amongst Caymanians today, that they can no longer be a part of the Cayman dream. And we need to do it urgently because the consequences are not that good.

Madam Speaker, on page 5, the Governor speaks to Project Future. And I quote: **"The Deputy Governor is leading on the professionalism and effectiveness of the civil service. The first item from the Project Future programme that Cabinet has approved is the creation of an Office of the Ombudsman. This will combine the functions of the Complaints and Information commissions, as well as the new Police Complaints Commission. This should be in place by the end of this calendar year. Other projects are in development and the Government will speak to these in due course."**

Madam Speaker, you all know that I opposed the creation of this super-Ombudsman and the combining of these offices. It is a retrograde step and I am embarrassed for the PPM Government that brought us the legislation in the first place, for them to now be cajoled, whether it is by the civil service or by the E&Y Report, that this is a good idea. It is not possible, Madam Speaker, for these functions to be, as the civil servant who I hear on the radio promoting it, that they can wear more than one hat. And one person can for this half-hour, be Information Commissioner, for the next half-hour he can be Complaints Commissioner and for the next half-hour he can be Police Complaints Commissioner.

Madam Speaker, maybe it is just my paranoia, but I'm a little suspicious that the problem here is that people have access to information that they don't want them to get. Madam Speaker, I am struggling to

try and convince myself that this reduction in the importance of the Complaints Commissioner and of the Freedom of Information Commissioner—I cannot say that about the Police Commissioner because that was never set up, although it had been in the book for 2010; they didn't see any need for that—has nothing to do with the fight from the Governor's Office and the Freedom of Information Commissioner over Tempura, or the problems created by the Complaints Commissioner on the whistleblowing legislation.

It just seems to me a little convenient that in that environment, the first thing for Project Future is a demotion in the importance of those two offices. I have asked the question, *How are they going to deal with the constitutional provision*, which in my view certainly envisages their being totally independent offices from everybody? I am told that the legal advice is that, as long as they have a different person, it can be done under one body.

Madam Speaker, I maintain that it is a backwards step. And the financial savings that they claim they're going to get, cannot, in my books, justify combining the offices. The reduction in independent functionality that this is going to create far outweighs any financial gain we could get by combining them.

Madam Speaker, I see that the Public Authority Bill is being promised. I recall that same thing happening down here many, many, many moons ago. And every year, *Public Authority Bill is coming, Public Authority Bill is coming*. I will welcome it once it gets here. It has my support; you know that.

[Inaudible interjection]

Mr. D. Ezzard Miller: It was the first one, right? I just don't understand why it's taking so long.

Madam Speaker, talking about that kind of what I call the *dance of legislation*, the Government needs to govern. The Government needs to do what is right and stop worrying about the one or two people who are going to get upset because you did the right thing.

[Inaudible interjection]

Mr. D. Ezzard Miller: But now you are unpacking it all, throwing it all away by combining everything. I agree with what you have done. I just don't agree with the move you are making now. I think you should stand your ground. Do the right thing. Keep these commissions separate and let them function independent of each other, for the best possible result.

Madam Speaker, the one paragraph where the Governor tried to deal with . . . six lines, actually, to be specific, that deal with education, employment, gender affairs, labour, pensions, social policy for those in need and improvements to school infrastructure clearly demonstrates the lack of importance placed on these social matters by the Government.

[Inaudible interjection]

Mr. D. Ezzard Miller: Oh, I'm getting that, because you're short on it too.

Contrast that, Madam Speaker, the seven paragraphs on the financial industry and the economy—clearly tells us where the emphasis is. I am not denying, Madam Speaker, that in this day and time, there has to be some emphasis placed on preservation of our financial industry, but not at the total expense of all of these social policies. With (we are told) \$860 million-plus in revenue, we should be able to address our social concerns more effectively.

Madam Speaker, this is the part that really upsets me. And I am going to try my best not to be disrespectful. But, Madam Speaker, the continued refusal by the Governor and the Government to accept that crime and policing is of major concern to Caymanians is insulting—four-and-a-half lines. And that deals with hiring the police and what he is going to do when he gets here. All of that is into those four lines. No reference to the promised succession plan. No acknowledgement of and no reference to the motion voted on by every single Member in this House to have an independent review of the police. She is going to ask the incoming Commissioner of Police to review the operations. She should have asked him to do that! If you are the top dog, I hope he is going to do that, as a minimum!

No reference to the motion asking for a succession plan for Caymanians to take over in four years. Madam Speaker, I have asked, I have begged, I have cajoled, I have even gone and picked up garbage and raked dirt at the police station, personally, and had other members of my community do it to try and get police in North Side. All we hear is, *Don't have any resources*. But every time the police or the Government come down here and ask us for resources, all of us, I do not know of any occasion in my time here when any elected representative in this Parliament voted against a request for the police for resources.

Madam Speaker, crime is a relative thing, you know. As long as it is happening a couple of blocks over, it is not even serious. Not serious. We can talk around it, and we can live with it. Three years ago, I said in my contribution to the Throne Speech in this very House that my concern in my constituency was that the criminals had upped their game. Prior to that, they were only going into unoccupied houses. Three years ago, they started going into houses with occupants in them! And as a representative of the people who vote money for the police, I must accept 18-hour-later responses—which we only got because I intervened (because when I called, they told me it hadn't happened), or no response at all.

The reduction, the perceived reduction that the police and the Governor brag about, in my constituency, is because people no longer bother to report—

because they get no action when they do. The police are still coming into my constituency driving in by the police station and turning around in the police yard. Sometimes, they go into what we call Forest Glen, occasionally; most of the times, they don't. Come back out to Chisholm's Store, turn left, drive to the Kaibo, drive around the bathrooms, drive back to Bodden Town; twice a day. People in my community try to stop them; they don't pay them any mind. They have got their windows up, *Can't hear them*, they claim.

Four years ago, the Member from East End and I asked the Chief of Police at that time, *When you cross Frank Sound, whether you turn left or you go straight, screw the windows down, please. Keep the air-conditioner on if you want, but screw the windows down so the people in the community can get your attention, you can hear them.* They still don't do it. They spend a lot of time on those cell phones while they drive through my district.

I take my family out in a little small boat down Rum Point, any Sunday that I can find the time. Last Sunday, between the Rum Point junction that the Planning Minister and I were just talking about, and when I turn off on Old Robin Road, 17—you heard what I said, Madam Speaker?—seventeen cars overtook me. I specifically drove the exact speed limit; 30 miles an hour to the entrance of Cayman Kai, 15 miles an hour to Grape Tree Point, 30 miles an hour. Every one of them overtook me doing at least, in the 30-mile [-per-hour] zone, twice the speed I was doing. Police?—none around. When you get into Old Man Bay there are children playing on the streets—no concern.

Madam Speaker, where is the anti-crime strategy in the Throne Speech? Where is it in the Premier's Budget Policy Statement?—Non-existent.

What is the National Security Council doing? Is that a creature of the Constitution that meets perchance? Doesn't meet at all? No concern being expressed by the National Security Council on the crime, unless they put it in a newspaper that I don't read. No offer to try and involve the communities to develop some kind of strategy. What are they doing? Meeting in . . . well, you can't call them *smoke-filled rooms* anymore, because most people don't smoke. Meeting in air-conditioned rooms, sitting in leather seats, sipping champagne and eating biscuits and cheese? Is that what they're supposed to be doing?

As I said earlier, where is the succession plan to put Caymanians in charge of the police force? I know they are going to get up there now and say that they just promoted a Caymanian to deputy. Well-deserved, I congratulate the young man. Would not have happened if Arden and I didn't bring that motion! Would not have happened!

Madam Speaker, when the Premier accused me of running the Chief of Police off, that the Chief of Police, Mr. Baines, left because of my motion, had he whispered that to me two years ago, I would have

brought it if I had known that would have been the result. Madam Speaker, I asked publicly and I am asking now: I want a copy of the clause in the contract that says, *If you decide to leave, you get paid for the full contract.* I want to see the clause under which the Government and the Governor paid the man one year's salary! In the absence of the clause being published, I can only draw the conclusion that the clause that authorises it does not exist.

And, Madam Speaker, nobody, not a single Member of this House, tried to work closer and harder with that Chief of Police than the Members for North Side and East End. But 18 months ago, two years, it became painfully obvious that we were just beating our heads against the wall. The man had no intention of doing anything to help our community, nor was he getting the support from the Government to do it. They blame me and the Member for East End but pay close attention, because there is written evidence that there is somebody else to blame, not the two of us.

Madam Speaker, can you imagine in your wildest imagination, UK citizens being tolerant that their police force is populated by Pakistanis, Indians, Africans, West Indians, and they dominate all of the top positions in their police force? You think that is a scenario that they would accept? They would kill every pigeon in Nelson Square. Plenty of them are there. But we are expected to tolerate that we are better policed by people other than our own. You can't explain that to me. That is not possible. And, Madam Speaker, we have to stop accepting this advice, hook, line and sinker, that these people come here and hand out to us, to preserve jobs for themselves and their friends! Because that is all they're doing! And we're sitting down thinking it's a good thing.

[Inaudible interjection]

Mr. D. Ezzard Miller: The trouble with them is me and you are not bad enough. We are becoming too tolerant ourselves of these situations.

Madam Speaker, we just had in this same scenario a bright, deserving young Caymanian leave the police force for greener grass. How is that possible? I want to know what attempts were made to meet the young man's expectations and what attempts, if any—because I am pretty sure none were made—to keep him in the Service and to promote him. Because, Madam Speaker, I worked with that young man as a person in charge of the eastern districts. And I can tell you he did a good job. The only two we had up there who came close to having any concern about the eastern districts were the two Caymanians, you know, him and the other Caymanian who was put in charge.

The one who they have up there now, if you call him up, he will insult you on the phone. He does not even know who he is. He automatically knows what the representative for North Side is calling him about, and he has dealt with it. And when I react, all of

those big boys in Government are calling me. *Oh, no, no, no. Give us a chance, man. We are going to see if he apologise to you.*

Apologise to me? Apologise to me? Apologise to the people he is supposed to be policing! But he is another one of them who comes here, does not care what he does, he rolls uphill; rolls uphill.

He was like that one we brought here, who is still here and I see on the TV that— *Oh, the man can take off . . . you know, he can wear one hat, one hat, one hat, one hat, three hats.* I guess he can even investigate himself if he happens to be the Complaints Commissioner and the Freedom of Information Commissioner and the Complaints Commissioner, because I complained about the Freedom of Information Commissioner—he can investigate himself. And he would probably find nothing wrong. Or he might be like, you all will remember this, the Brazilian police who had robbed the jewellery store in town and he found himself guilty?

[Laughter]

Mr. D. Ezzard Miller: Unna too young. You remember it, Mac?

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

Mr. D. Ezzard Miller: Yeah, yeah, yeah. He was a good policeman. He found out it was him who had broken into the store, and it was true. It was him!

[Laughter]

Mr. D. Ezzard Miller: Madam Speaker, the Governor in her Throne Speech talked about, on page 7, “**Ladies and gentlemen, while the agenda that I have outlined today highlights the plans for the current political administration over the coming year, the civil service, oversight bodies, private sector and civil society all play important roles in supporting our thriving democracy.**”

Now, Madam Speaker, what she is saying, these are the highlights in these eight pages.

Madam Speaker, what was articulated by the Governor here on Monday, the 30th of May . . . And, you know, Madam Speaker, while she was delivering it, I can't say that there is very much in here to congratulate her on. But, Madam Speaker, you could feel her pain. You could feel her pain that she was being asked to deliver this as a Throne Speech to the Cayman Islands people, because there is nothing in it. If Caymanians are going to put hope on what's in this, it leaves a lot to be desired.

Madam Speaker, here is my concern. The plans are . . . well, she called it *an agenda*. The Plans, or *agenda* as the Governor more appropriately referred to it, is barely incremental actions on failed poli-

cies for the average Caymanian. There is no vision. There is no inspiration. There is no boldness and action to be taken by the Government to address some of these concerns by Caymanians. There is no comfort, Madam Speaker, that can be drawn from this Throne Speech for Caymanian parents that their children can hope to share in the Cayman dream or that they as working adults, if they are lucky to be employed, can plan a hard-earned vacation or plan their retirement or plan expansions of their homes or plan education for their children.

There are no plans in the Throne Speech to address the work permit system to ensure Caymanians get job opportunities for which they are qualified, both academically and with experience. Only plans for incremental increases in work permits' income at the expense of social service support for Caymanians, because that's all we're doing.

Madam Speaker, my only hope and my fervent prayer is that if the Governor, who plans to leave in October 2017, this will be the last Throne Speech and Budget Address by this Government, because they will have departed in May 2017. That's relieving Caymanians of both the regressive Governor and the regressive elected Government, the PPM.

Now, Madam Speaker—

[Inaudible interjection]

Mr. D. Ezzard Miller: Oh, you think I've finished. I haven't gotten to you yet. It's coming; you're share is coming.

[Inaudible interjection]

Mr. D. Ezzard Miller: Now, Madam Speaker, let me turn my comments to the Budget and the Budget Policy Statement currently before this House. Madam Speaker, you know, the Premier is making inferences that I want to be Premier. Let me again tell him, as I have told him and everybody else, D. Ezzard Miller have no ambition, no intention, and no desire to be Premier of the Cayman Islands. Don't want it. Because, Madam Speaker, what I would have to do to get that in terms of my principles with this ya George Town bourgeois, I ain't prepared to do it. Not doing it! I have got a Christian mother whom I have to honour, who taught me these things. I told them that in 1986 at a house on South Church Street when they invited me to their dinner to try to (as them old people in North Side would say) corn-swabble me into their camp.

[Inaudible interjection]

Mr. D. Ezzard Miller: Oh, no, man. We had roast beef. I think it was roast beef, but oh, good food, good food, good-good food, good food. And when they said, *Well, Ezzard, you know, you look like somebody we could work with, but*—I stopped them right now. There

is no *but*. Ned and Mary raised an honest boy. You bring something good, as I tell every Government, I support it. I will tell you it is good. You bring something bad, I will tell you what's bad about it and then tell you how we can fix it so that I will support it. But there is no '*but*' that you are going to control me. Forget that. And I knew when I made that statement that any chance, any ambition I would have, that wouldn't happen. So I don't worry about that.

Madam Speaker, let me also tell the Premier I have a burning desire, I have a strong intention to sit in this seat to represent North Side for another term. So, those candidates that they've got up there running around telling people, *Ezzard ain't running*, I going clear that up in a little while here aREKley. They would like to get rid of me out in the southeast corner.

Madam Speaker, unlike the Governor, the Premier and the Minister of Finance cannot be accused of being short on content. Both are very detailed and long—the Premier's, 48 pages; the Minister of Finance, 28 pages, respectively, and overloaded with self-praise and congratulations. The Premier, in his opening remarks quoted Winston Churchill. Let me quote him. And, you know, Madam Speaker, this is what he said: "**The truth is incontrovertible. Malice may attack it. Ignorance may deride it. But in the end, there it is.**" Good quote, good quote.

Madam Speaker, today's *Compass*, in the Horoscope section, of all places—

[*Laughter and inaudible interjections*]

Mr. D. Ezzard Miller: No, no, no, no, no. Under my horoscope, Cancer, says, *Secrets might come out today. If so, do not be quick to believe them. As Churchill once said, There are lots of lies going around, and some of them are true.*

[*Laughter*]

Mr. D. Ezzard Miller: Very appropriate, very appropriate.

And you know it's not very often I quote anything out of this rag sheet.

Madam Speaker, I would also remind the Premier of that old adage, *Self-praise is no recommendation even if it is true*. So, Madam Speaker, let me give credit where credit is due. There can be no denial that the Government's financial position has steadily improved under the PPM Administration. We cannot deny that. Both the financial position as to debt and payments . . .

Arden, this is what you call putting it in one pocket and taking it out of another. You hold on ya a little bit.

[*Inaudible interjection*]

Mr. D. Ezzard Miller: No, no.

The strategies that are laid out by the Minister of Finance, continuous economic growth, that is arguably for the wrong people; operating surpluses by controlling expenditure, rising cash reserves, declining debt balances, declining debt-to-GDP ratio. I notice a little switch. PMFL says the government revenue—I agree with you, it should be gross domestic product (GDP). But that isn't what the PFML says. The PMFL says *government revenue*. Declining expenditure-to-GDP ratio; declining revenue-to-GDP ratio—all that is good stuff.

Madam Speaker, I would also say that the civil service has improved their recordkeeping, and the Auditor General reports reflect it. There have been good sustained improvements in Government accounting for its finances. But as Chairman of the Public Accounts Committee I see it first hand, Madam Speaker. So I say that without fear of successful contradiction. Now, Madam Speaker, they are not going to give me any credit for it, you know, but remember, I had to call them down here four years ago and threaten to sue them, lock them all up in jail, call them to the bar if they did not do something. Right? But they can have the credit. I am happy it was done because it needed to be done. And it is a good thing.

Madam Speaker, I also see the Auditor General's report about lack of planning, inability to determine the magnitude of concessions, waste, inefficiencies and even some disregard for the law that need as much improvement as the financial recordkeeping did. And I must say that those who watched the Public Accounts Committee hearings most recently will see clearly that the chief officers are reluctant to accept responsibility for those things, at least the chief officers who came to the PAC.

Madam Speaker, as I said, I give the Government of the day full credit, and the civil service and the professionals in the civil service, for their improvements. But my concern is that while restoring Government's finances, we should have found a less punishing way for Caymanians to do it. Because, Madam Speaker, through denial, refusal of services, particularly to senior citizens and the less fortunate, the rebuilding of these finances in that way, in my view, was wrong. We cannot continue to make the rich investor richer by granting concessions through the waiver of fees.

Madam Speaker, let me give you a scenario why I say I have great difficulty with that part of how this was done. It is very difficult, Madam Speaker, for me to explain to an elderly lady in my community, who is now over 60, who has worked all her life, never asked government for one thing—

The Speaker: Member, you have 52 minutes remaining. Is this a convenient time for the luncheon break, once you have finished this thought?

Mr. D. Ezzard Miller: Yes, ma'am. Just let me finish this one.

I tell her . . . she goes to government and applies for relief, \$550 a month. She is told—if she can get through the quagmire of access, but she is told—*We don't have any money; we can't help you.* She can't get a job because she's over 60. Employers won't hire her because it's going to affect their health insurance cost, right? So she can't continue to work. And she points to a newspaper on her dining room table that says we're giving a developer millions of dollars in concessions to build a hotel. And she says to me, *But, Ezzard, is this why the Government doesn't have any money?*

I have to say yes.

So here we are, a Caymanian who has worked for 40-plus years in the tourism industry, can't get health insurance, can't get \$550 a month. Those who are on it can't get any increase. But they know that we as the Government are giving millions of dollars to investors who intend to make millions of dollars in profits every year. And we're already . . . those developers in the Cayman Islands are not paying any income tax, no land tax, no property tax, no capital gains tax, and they're making millions of dollars on their investment.

Madam Speaker, those are the things that tear your heart out in this country. The sad part about it is, as a representative, there is nothing I can do about it, except do what I've always done—take money out of my own pocket and give them. Madam Speaker, the most glaring omission from this Budget and the Premier's Budget Address is anything about what we are going to do to provide for our senior citizens in this country.

I know they will tell me, *Oh, but, you know, the Children and Family Law says that we can arrest the children and force them to pay.* The children don't have anything to pay in this economy. They're living paycheque to paycheque. They're robbing Peter to pay Paul every month. If they pay the electricity bill they can't pay the telephone bill. If they pay all two, then, they can't pay the water bill. And there is nothing in all these speeches down here on Monday that I can go to that lady with and give her any comfort. And that is troubling, Madam Speaker.

We can take a break now, Madam Speaker.

The Speaker: We'll take the luncheon break and reconvene at 2:15 pm.

Proceedings suspended at 12:45 pm

Proceedings resumed at 2:30 pm

The Speaker: Please be seated. Proceedings are resumed.

The honourable Member for North Side is recognised. You have a speaking time of 50 minutes remaining.

BILL

SECOND READING

APPROPRIATION (JULY 2016 TO DECEMBER 2017) BILL, 2016

DEBATE ON THE BUDGET ADDRESS AND THE THRONE SPEECH TOGETHER WITH THE GOVERNMENT'S POLICY STATEMENT

[Continuation of debate thereon]

Mr. D. Ezzard Miller: Madam Speaker, when we took the luncheon break I was beginning to deal with the lack of concern, lack of commitment and lack of reference in the [Policy] Statement, the Throne Speech or the Budget to the needs of our senior citizens.

Madam Speaker, in addition to being a big proponent and practitioner of what I call participative democracy, where I really believe that the people I represent have an inherent right to be a party to and involved in any decision that I make on their part as their representative, I have always tried to consider myself to be fiscally conservative with government's money, but responsibly socially liberal when it comes to the social needs of Caymanians. And I think that that is not impossible to do, Madam Speaker, but somewhere, we in Cayman need to start to be, as Government, more concerned and more involved in the social needs of the community, in particular those of our senior citizens, because, Madam Speaker, all of us are going to eventually become senior citizens. The alternative to not becoming a senior citizen is not a good one; it's six feet under, right? And as far as I know, you don't need too much help once you get down there. Nobody has ever come back told me yet, but the way I look at it I don't think you need too much.

Madam Speaker, while the Government deserves recognition and praise for the financial improvements that it has brought about, equally so, it cannot escape blame and responsibility for the decay in social services to our community and the suffering of Caymanians, particularly the senior citizens and the less off in our community. The middle class of which we were so proud is fast disappearing from the Cayman scene.

Madam Speaker, I know the Government is going to get up and talk about that they have this in the Budget, and that in the Budget, but any Government that budgets more for cats and dogs than the needs of young people cannot be accused of being socially responsible. Here are numbers from the Appropriation Law:

- NGS 24, Spaying and Neutering Cats and Dogs, \$64,800. (Remember that figure, \$64,800.)
- NGS 72, Therapeutic Services for Young Persons, \$37,500 (roughly half).
- NGS 47, Mentoring Cayman Programme, \$9,025.
- TP 44, Temporary Relief for Young Parents' Programme, \$45,000.
- NGS 27, Supervision of Preschool Children, \$54,000.
- NGS 76, Autism Diagnostics and Sexual Trauma Recovery Programme, \$43,238.

All of those services are substantially less than the \$64,800 we are going to spend to spay and neuter cats and dogs.

[Inaudible interjection]

Mr. D. Ezzard Miller: You cannot add them together because they are different programmes.

[Inaudible interjection]

Mr. D. Ezzard Miller: Well, I want you to explain the connection between—

[Inaudible interjection]

Mr. D. Ezzard Miller: Oh, I hope you will.

But in the meantime you are telling me that autism diagnostics and sexual trauma recovery programme . . . I never put the Budget together, you know, Madam Speaker. I never put the descriptions; I never put the amounts there. These are the Ministers responsible for these areas that did it. Not even the Minister of Finance put them in there. He will add them up.

Now, Madam Speaker, try as I may, to determine from the Budget what are the funds budgeted for senior citizen services that deal with income replacement, healthcare, housing, social support, they remain disbursed across ministries and in all kinds of votes making it very difficult to compile what these services cost and cover and what they are for.

Madam Speaker, since they interrupted me and are aggravating me, implying that what I say is not the thing; one of the worst things in this country is what our senior citizens and less off people have to go through to get qualified as medically indigent. And the Minister himself retains—he's been there three years—the authority to sign it off personally. And, Madam Speaker, the problem with our social services is that nobody can show you, *This is the application form, tick the boxes and this is what you get.* It depends on who you ask!

Madam Speaker, again, I send people from my constituency to the Needs Assessment Unit, and

they turn them down. And I tell them to go ask somebody else to ask somebody and they do that and they get everything. And that is why we can't clearly define what the requirements are to get the benefit and how much it is, because it reduces their control over it! They can't tell you don't vote for Ezzard because he is going to take this benefit I gave to you away, because you know what the qualification criteria is.

And, Madam Speaker—

Hon. Osbourne V. Bodden, Minister of Community Affairs, Youth and Sports: Madam Speaker, on a point of order.

The Speaker: I recognise the Honourable Minister of Children and Family Affairs. Please state your point of order.

POINT OF ORDER

[Imputing improper motive]

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

The Member for North Side is seeking to lead this House in the belief, and the listening public, that there is interference with the process for receiving assistance. Madam Speaker, it is for that exact reason why the people are screaming, because they don't get it like they used to get it. And this Minister, for one, does not interfere with the process. The process is strict and, yes, sometimes very difficult. But it is the process. And the department, the unit in charge, the Needs Assessment Unit, is doing the utmost with the resources they have. Sometimes there are delays and sometimes people simply do not quality. But I take strong umbrage to the fact that he would impute improper motives on my part or the Ministry's.

The Speaker: Honourable Member for the district of North Side, please ensure that as you debate and explain and expound upon your points that you do not impute on this particular Minister that he has political interference, as he has now stated for the record that he has never before, nor does he have any intention to politically interfere.

Mr. D. Ezzard Miller: Madam Speaker, just for my own edification and for the listening public, could the Minister please identify what Standing Order he is raising the matter under?

The Speaker: Standing Order 35(4): "**No Members shall impute improper motives to another Member**" was what my cognisance was of the Minister's presentation.

Mr. D. Ezzard Miller: Well, Madam Speaker, just to clarify what I said, I said that the Minister retains the right to sign off on these benefits. Madam Speaker, if

that is not so, I apologise to the Minister. The records of the Public Accounts Committee will show that his Chief Officer, his department Head of Children and Family Services, and the Head of his Needs Assessment Unit told us so here—that they can't decide it; only the Minister can approve it! And I am saying that that is wrong.

If you want to get up and claim that I was imputing improper motives . . . that is not what it is, but that's the fact! If he is admitting that he interferes by telling some people they can't get it because he decides what the qualification is, then—

Hon. Osbourne V. Boddén: Madam Speaker, the Member knows—

The Speaker: Honourable Minister of Children and Family Services, is this a point of elucidation or order?

Hon. Osbourne V. Boddén: Yes, Ma'am.

The Speaker: Member for North Side, will you give way to the Minister?

Hon. Osbourne V. Boddén: Madam Speaker—

Mr. D. Ezzard Miller: No, Madam Speaker. He will have his turn. If he has a point of order, raise it, identify it, and I will sit down; outside of that, get up and speak when you are ready.

The Speaker: Honourable Minister, do you have a point of order, sir?

POINT OF ORDER
[Imputing improper motive]

Hon. Osbourne V. Boddén: Well, the point of order was that what he just said was not what I got up on, because the law clearly states that. But the point of order was that he said you can't get it done this way, and you go this way and you get it done. And what he is doing there is imputing that they bypass the system and come to the Minister. That was my interpretation.

The Speaker: Member for North Side.

Mr. D. Ezzard Miller: Madam Speaker, the plight of our senior citizens should be beyond politics. There should be proper published criteria for qualification for a specific benefit. If you meet the criteria, you get the benefit; if you do not meet the criteria, you do not get the benefit. It is time for this country to move whatever benefits you are going to offer to a senior citizen to that kind of system.

[Inaudible interjection]

Mr. D. Ezzard Miller: You must be careful who you talk to at Kelly's Bar; you Ozzie.

Madam Speaker, my point is this: that our senior citizens deserve better. And although the Governor in her Throne Speech, in one sentence referred to the introduction of a National Policy for Older People, there is no mention of it in the Premier's Budget (what's that title again, Madam Speaker?)—Budget Policy Statement. I fail to find the provision in the Budget for the implementation of the policy. I would be quite willing to have the Minister responsible get up and tell me what sections of the Budget for the next 18 months (because, remember we are on an 18-month budget now, right?) has in it for the provision for the implementation of the National Policy for Older People, because if it ain't in the Budget they ain't doing anything about it for 18 months.

Madam Speaker, the current situation for senior citizens to access benefits from government and the myriad of problems as identified in the Auditor General's Report on 'services to the needy is troubling—very troubling. And all of this was painfully confirmed during the public hearings of the Public Accounts Committee. The public heard it. And when I present the report, trust me I'm going to read it again. The acknowledged waste of resources, the complicated qualification process, the difficulty in accessing the services, the delays in decision-making, the methodology of application, all contained in that report is at the peril of our senior citizens that we continue to ignore it. They deserve better.

Madam Speaker, in my view . . . because one of the questions I asked those people who are doing this policy, National Policy of Older People, was, *Are you coming out to my community to talk to the senior citizens?*

No, no, no.

They need to talk to them.

Well, Madam Speaker, let me . . . indulge me to digress from these two speeches for a short order. I need to set some political stuff straight that is going on in my constituency in North Side.

Madam Speaker, voters in North Side are being told by candidates for the UDP and the PPM, I don't know whether they can—

Hon. W. McKeeva Bush, Leader of the Opposition: No, Madam Speaker, let me say something to my friend. The UDP—

The Speaker: Leader of the Opposition, please state your point of order.

Hon. W. McKeeva Bush, Leader of the Opposition: Yes, Madam Speaker. The . . . I was asking to make some certain clarification.

¹ [Government Programmes Supporting Those in Need](#)

Mr. D. Ezzard Miller: Go ahead.

The Speaker: He is giving way.

POINT OF CLARIFICATION

Hon. W. McKeeva Bush, Leader of the Opposition: Madam Speaker, the UDP has no candidate in East End [or] North Side. We have one candidate in Bodden Town confirmed. And we have two confirmed in George Town, and three confirmed in West Bay. Madam Speaker, if the Member sees me anywhere, I am all over, I am supposed to be all over, but I have no candidates—

[Inaudible interjection]

Hon. W. McKeeva Bush, Leader of the Opposition: Yeah, well they know a good thing when they see it; they want to jump on a good bandwagon.

The Speaker: Member for North Side . . . oh, sorry.

Hon. W. McKeeva Bush, Leader of the Opposition: I do thank the Member for giving way, Madam Speaker.

The Speaker: Honourable Premier.

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

I just also wish to say that . . . and to assure the Member for North Side that when the Progressives have a candidate for North Side, he will be the first to know.

The Speaker: Honourable Member for North Side, I took it that you gave way.

Mr. D. Ezzard Miller: Madam Speaker, I want to thank the Leader of the Opposition, as head of the UDP, and the Premier, as leader of the PPM, for denying the two that have been running around North Side saying that they are candidates, because they are not worthy to be any candidate!

[Inaudible interjection and laughter]

The Speaker: Member for North Side, I trust with your knowledge and experience you will quickly tie this in to the Throne Speech, the Policy Statement and the Budget Statement.

Mr. D. Ezzard Miller: Madam Speaker, I asked for your indulgence. If you are not going to give it to me, I will go back to the Throne Speech. But I asked specifically for your indulgence, because the other lie they are telling people is that I am not running, and that I can't get anything done with this Government. But

when they get elected with the Government, whichever one it is, the party, they can get all the things done.

Hon. W. McKeeva Bush, Leader of the Opposition: Is that right? No, they can't say that!

Mr. D. Ezzard Miller: But let me put it to rest, Madam Speaker. I am running. I am running. I am running.

And let me tell you something. Nobody can predict the results of the election.

Hon. W. McKeeva Bush, Leader of the Opposition: No.

Mr. D. Ezzard Miller: But I can tell unna one thing; unna going to spend plenty resources to get that seat, because it is going to be war. And unna got to beat me in every household living room. And the two people up in here that have experience in single member constituencies are not in them two parties.

Hon. W. McKeeva Bush, Leader of the Opposition: Oh yes.

Mr. D. Ezzard Miller: Yeah?
Madam Speaker—

[Inaudible interjection]

Mr. D. Ezzard Miller: Madam Speaker, for the people of North Side there is a clear choice: A reasonably educated individual with lots of experience in the political arena; barely educated high school, zero experience in politics. The choice is clear to the people. But I will respect whatever choice they make.

Now, Madam Speaker, getting back now to the Budget, I want to express how really disappointed I am that the PPM candidate did not allow me the opportunity provided in the Constitution to come to Cabinet and present the needs—

The Speaker: The PPM candidate?

Mr. D. Ezzard Miller: Government, Government, sorry, Madam Speaker.

[Inaudible interjection]

Mr. D. Ezzard Miller: Yeah, yeah, yeah, yeah. See, I can admit it, unna can't.

[Inaudible interjection]

Mr. D. Ezzard Miller: Before they finalised the Budget. But, Madam Speaker, I spent enough time in this House to know and understand the politics being played. And while they can get up here and deny those two candidates belong to either party, I just want to lay out what I would have asked for had I got-

ten the opportunity, and what I will be looking to make sure is in the Budget during Finance Committee.

Getting back to that same old, same old, police presence 24/7 in North Side.

Two additional classrooms for the primary school for computer, musical and arts room and the computer room at the Edna M. Moyle North Side Primary School is smaller than the boys' bathroom.

Hon. W. McKeeva Bush, Leader of the Opposition: Smaller than what?

Mr. D. Ezzard Miller: Smaller than the boys' bathroom . . . or the girls' bathroom.

I want the dock in Old Man Bay replaced.

I have seen in the paper today, we just built one in Little Cayman. EIU informs me that the maximum number of boats that may be using that is about 12, and that it cost about \$70,000 to build it.

[Inaudible interjection and laughter]

Mr. D. Ezzard Miller: That is all I have. I don't have an army, a whole civil service behind me to provide the information. All I have is the EIU. I could be wrong. There may be more than 12 boats in Little Cayman that are on trailers. I don't know. But I believe that the person I called and asked how many there is, knows.

- Proper construction for further road, for safety reasons.
- Chip and spray to Ardington [PHONETIC] Drive to preserve the work that they did last year in rebuilding the road. Repairs to William Whittaker's Road.
- A 200 foot extension to Galleon Close.
- Walls to stop the erosion of Kaibo Public Beach with the dock on top of it.

That motion was accepted by Government a couple of weeks ago. I hope there is budget provision in there at least to do the design and engineering and get the wall built.

- Access to the Clifton Hunter High School buildings for classes to be conducted by members of the community after hours at the school.
- Bathroom facilities for public beach next to Starfish Point.
- Improvement of the junction of Old Robin Road, Frank Sound Road and North Side Road for safety reasons. A very serious problem there in that anybody turning on to Old Robin Road has to be in the oncoming lane of traffic prior to making the turn.
- Additional resources for the Edna M. Moyle Primary School to improve the standards that were identified as being lower, including teachers, particularly for Spanish and for PE or sports. A half day per week for PE at the

school does not lead to healthy children. They need more than that.

- Continuation of repairs to the Craddock Ebanks Civic Centre. There is a lot of work that needs to be done there. It has been a long time. The last time it was painted and whatnot, the community got together and painted it in 2010 in preparing it for the hurricane season.

Madam Speaker, those are the things that I will be looking to see if I can get some kind of commitment and allocation [for] in the Budget during Finance Committee.

Now, Madam Speaker, let me return to this Budget [Policy] Statement and Budget Address and their shortcomings. The Premier in his Budget Policy Statement, on pages 13 and 14, announced that the third amendment to the Dart/NRA Agreement has now been executed. Oh, Madam Speaker, if that was literally true and that agreement was really dead—had really been executed . . . but I know what he means with the legal terms. He signed it.

[Inaudible interjections]

Mr. D. Ezzard Miller: Now, Madam Speaker, the Premier did promise at the start of those negotiations and several times when questioned as to how the negotiations were being progressed, that the final agreement would be tabled. So I am inviting the Premier to table it tomorrow morning.

[Inaudible interjection]

Mr. D. Ezzard Miller: Well, why don't you give it to us before he speaks? We might need to speak on it too.

[Inaudible interjection]

Mr. D. Ezzard Miller: I will ask the Minister to table it tomorrow morning.

[Inaudible interjection]

Mr. D. Ezzard Miller: No, no. I don't have anything to say about it. I don't know what he signed. I can't comment on what I haven't seen. I said enough about what was there before.

Madam Speaker, the other side is that maybe the Ministers and the Premier in his winding up can identify the one single project in all of these economic developments and opportunities that are ongoing that was initiated, started and brought to fruition by their Government.

Madam Speaker, both the Premier and the Minister of Finance laud the introduction of the two-year budget. Page 15 in the Premier's Policy Statement, and page 14 in the Minister of Finance's Budget

Address. And on page 15 (and I quote) the Premier said, **“In this respect, this is a first for our country. It sets in motion this Government’s plans to move toward two-year budgets, which will make the budget process more efficient—saving thousands of hours annually in budget preparation by civil servants and Ministers.”**

The Minister of Finance, on page 14, said, **“The next phase will see the implementation of multi-year budgeting which will come into effect in on 1 January 2018 when the Budget and Appropriation Bill will articulate appropriations to cover two financial years spanning 24 months.**

“However, government agencies will be required to continue to produce annual audited accounts along with a performance report detailing their actual performance compared to their budget. There will also be an annual review process via the Finance Committee of the Legislative Assembly to allow an opportunity for Legislators to review the Government’s budget.”

Now, Madam Speaker, not being an accountant, not being an economist, not being an auditor, how is the two-year Appropriation Bill going to be laid out? Are we going to have separate year’s figures approved, or is it going to be like this total 18 months, where there’s one figure? I think they have a problem with this 18 months, in that (I speak subject to correction) I believe the accounting and auditing standard adopted by the public service requires annual audits. So I don’t know how we are going to break out the one year out of this 18 month thing to audit it, and which six months we are going to do. But I think that is something that the Government needs to address, because if you are saying that I have to produce audited accounts for the first year of a two-year budget and you say something is wrong, I can simply tell you go fly a kite, I have a year to correct it.

Are we going to do Finance Committee for the first year of the Budget? Is it only that section of the Budget we are going to do in the Finance Committee in November (I would assume) 2017? And then, are we going to have another Finance Committee in November 2018 to do the second year, 2019? Or are we going to have one Finance Committee in November 2017 that can do the whole two years? And if that is what we are going to do, and if the civil servants will be preparing a two-year budget in the nine-month period that they normally do now, all of these savings and hours, what are we going to do? Send them home on vacation every other year when the budget staff doesn’t have anything to do? Or are we going to simply reallocate them to do other functions in government?

I would argue, Madam Speaker, that the one part of the Public Management and Finance Law (PMFL) that worked really well from its inception has been the budgeting part. The budgets were normally done on time, et cetera, but the accounting side was

where the difficulty came in, and the auditing and the actual performance. So, I just need somebody to explain to me how that is going to happen, because, Madam Speaker, the records of the House will show that I voted against the two-year budget. I do not support it.

Madam Speaker, I would caution that . . . remember we got in this quagmire conundrum we are in with the Public Management and Finance Law because somebody went to New Zealand to some conference, came back and thought it was a good thing. And we spent millions and millions of dollars implementing it. I hope it’s not the same thing here with this two-year budget, because someone went to Guernsey or Jersey and came back and thought it was a good idea and we are going ahead with it, because I believe the annual reporting and the annual Appropriation Bill has worked well for this country.

Now, Madam Speaker, the Premier in his Budget Policy Statement and reflected in the Budget, lauds his Government and their accomplishment, some of which, I mean, are really laudable. I congratulate them for getting the new airport terminal started. The only question I have is why is it necessary for Government to contribute \$7.5 million from general revenue to help fund the airport, when there was a specific tax put on several years ago (I think it was 2008), and I think it has been recently increased, to fund airport development.

[Inaudible interjection]

Mr. D. Ezzard Miller: Well, I would hazard a guess that if the \$13 that was put on in 2008, if you multiply that by all the passengers that have been through and that money was, as it should have been, put in an escrow account for the airport development, the funds would be there. And certainly, the increase just put on would be sufficient to service any borrowing that the Airports Authority would need to do it to complete the project and have the ability to service it without any government central revenue. Because, again, Madam Speaker, I believe that that \$17.5 is better spent on education. If the money isn’t there, and it was put on for a specific purpose and, again, I think they may be in trouble with IATA [International Air Transportation Association] regulations, international regulations, if they put that tax on the travelling public for that purpose and they got IATA approval and they spent the money on something else, they could have some difficulty. I don’t know where the money has gone. But I believe in eight years that that \$13 has been in place, a couple hundred people went through the airport, you know. So if the funds are not there, I think the public is owed an explanation of where the funds went.

Madam Speaker, the Government knows that I don’t support the berthing for the cruise ships. Statistics that they come here and brag about with increasing cruise visitors can’t justify a \$300 million expendi-

ture on a pier in my book. Again, I would prefer to see that money spent on education.

Madam Speaker, there is much in this Budget for rich Caymanians and inward investors. There is much there for the protection of the status quo in the financial industry, but there is very little there for the average working Caymanian. We have the review of the PR provisions in the Immigration Law to ensure that non-Caymanians can now stay, get Cayman status after permanent residence and keep the jobs from qualified Caymanians. We are looking after those people.

Madam Speaker, where is the promised immigration reform promised to us in October 2013 that was supposed to come in January/February 2014, which was supposed to tighten up on work permits and other changes that need to be made to benefit Caymanians? Madam Speaker, let me repeat what Ezzard Miller's position is on this, you know. It's been that way from the time we had the Cayman Protection Law. The only how you should be able to get Cayman status is by marriage or descent. I don't think anybody should be able to come to my country as an economic migrant and get Cayman status because they made plenty money. That is my personal position.

Madam Speaker, when we are told from Economic and Statistics, as I said earlier, that some 30-plus per cent of Caymanians with postgraduate qualifications are unemployed, God only knows how many of them are underemployed, not getting the job opportunities that they should have by virtue of their additional qualifications. When we have 29 per cent unemployment in age 18 to 30, we have to be concerned.

Madam Speaker, where are the policies to drive legislation to provide advancement in careers, promotion opportunities for qualified Caymanians who are underemployed, to promote greater Caymanian ownership in the financial industry? The sustainability of the financial industry in Cayman over the long period requires Caymanian ownership, and we have to create the opportunities. There was a time when Caymanians owned it. We missed an opportunity last year when we did the new [Trade and] Business Licensing Law to remove that exemption for lawyers and doctors of not needing a business licence and not having to have 60 per cent Caymanian ownership. That exemption needs to be removed. There are Caymanians now who can take up the ownership in these institutions. They have the qualifications, they have the experience.

Madam Speaker, where in these speeches is the policy and where is the financial commitment to improve education to better prepare our Caymanians for the workplace? The Government says education is a top priority? I need to be directed to the allocations in the Budget that support that claim. Less than \$10 million to work on John Gray High School is not much.

Again, Madam Speaker, the country needs to accept that there are growing needs. This country needs at least two additional high schools. Government doesn't have to build them; but we need to put the policies in place that will allow other people to do it, and Government regulate them. None of that is addressed in here. We are going to need at least two, three primary schools. We see all of the difficulties, the problems at Savannah, too many children in one spot. There was a time when Savannah was the number one primary school in this country. Everybody was knocking the door down trying to get their children to go there. They are going to need at least one, if not two, primary schools in the Bodden Town/Savannah district. We are going to need another one for East End and North Side soon, within the next four or five years. Even if you give me the two rooms that I need onto the Edna M. Moyle School now, that's just to accommodate what's there.

We have to face these facts, Madam Speaker. And we have to establish priorities. And, Madam Speaker, I get back to the song I have been singing for the last four years, we must, we must, we must, this country must develop a comprehensive policy to drive appropriate legislation for our senior citizens. And it has to cover income replacement, it has to cover healthcare coverage, it has to cover housing, it has to cover social interaction. The fragmented stuff we have there now with the Health Insurance Law can't address it because we allow the companies to insure until you're 60, take all the money while you're healthy, and as soon as you get 60, or you might get sick, they turn you down. And Government says, *Oh, pay me \$5 per premium, and \$10 per premium, \$20 per family and we'll cover them.*

The pension legislation is hopelessly inadequate and remains so even with the recent amendments. This policy, Madam Speaker, has to clearly articulate how a senior citizen qualifies for these benefits. It has to clearly articulate how the Government plans to pay for these essential services. And, Madam Speaker, we have to tell the young working people that they are going to have to make a contribution of some sort for the care of their senior citizens. Every other country in the world does it. We seem quite comfortable and satisfied to say we have in the Children Law (which we had in our law from the '70s) that we can prosecute the children for not looking after them, and we've never prosecuted anybody, but that's fine.

Madam Speaker, on the short term there has to be proper policy to drive appropriate legislation to provide for a transition from temporary welfare to employment. And "Ready to Work" programme ain't the answer. We seem to be overjoyed [because] we have 33 people in that. And we have 2,000 people (2,000 wasn't it, Arden, on temporary supply at social services?), but the Social Services Director tells us that they have not been asked if they have any people that

should go into the Ready to Work programme. You would think that that is the first choice that Government should do, that the people they have there should be the very people that they are ensuring . . . because remember, the Government is proposing to pay the salaries of these people for the private sector can get their work for free, you know, with no guarantee or commitment that they have to employ the person after the six months the Government is paying them for.

The Speaker: Member, you have four minutes remaining.

Mr. D. Ezzard Miller: Madam Speaker, the time has come for this Government—we can't wait for the next Government, that's a year away—to address the needs of our senior citizens in this country.

Madam Speaker, it is my final plea. I invite the Government to set up a select committee of all Members of Parliament to look at the needs, the desires, the wants of our senior citizens, to bring them all in here to talk to us, all the stakeholders, all the technocrats, so that we can collectively decide with the assistance of our senior citizens who are going to be affected, what is the best programme, what is the criteria to access it, and how we are going to fund it.

Thank you, Madam Speaker.

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

I recognise the Honourable Deputy Premier.

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

Madam Speaker, I rise to offer my contribution to the 2016/17 Budget. Madam Speaker, before I begin, I'd like to congratulate the Governor, Her Excellency, Mrs. Helen Kilpatrick, CB, on her Throne Speech; the Premier, the Honourable Alden McLaughlin, on his Budget Policy Statement, *Delivering on Our Promises*; and the Minister of Finance, the Honourable Marco Archer, on his Budget Address, *Securing Cayman's Future*.

Madam Speaker, it is three years since the people of the Cayman Islands afforded me the privilege and responsibility of providing stewardship over the Ministries of District Administration, Tourism and Transport, and in particular, oversight for the growth and development of the tourism portfolio in these Islands. In my final Budget Address in this Government's current term of office, I'd like to take this opportunity to review the progress that we have made, the challenges we have faced and outline the clear direction we have taken since 2013.

Madam Speaker, I'm using 2013 as a benchmark because it is not my intention or the Govern-

ment's intention to take credit for results or achievements that my team did not directly influence and therefore cannot justifiably claim. To accurately paint a picture of how far we have come, it is necessary to briefly recount where we were, particularly with respect to the tourism industry, when we assumed responsibility for the Ministry of District Administration, Tourism and Transport.

As this House may recall, Madam Speaker, when the Progressives took over the reins of Government, concerns of a variety of issues and problems of economic mismanagement were widespread. Public confidence was at an all-time low. Dialogue with the UK was adversarial and unproductive. An interim government was appointed until the next election.

[Inaudible interjections]

Hon. Moses I. Kirkconnell, Deputy Premier: And with respect to the tourism industry, while stay over arrivals had increased, cruise passenger arrivals were in decline. When this Government came into—

Hon. W. McKeever Bush, Leader of the Opposition: In decline?

Hon. Moses I. Kirkconnell, Deputy Premier: In decline.

Hon. W. McKeever Bush, Leader of the Opposition: Up. You mean upswing?

The Speaker: Order.

Hon. Moses I. Kirkconnell, Deputy Premier: When this Government came into power, bold promises were made to this country, Madam Speaker. We pledged to stabilise the economy, to restore trust and confidence in Government and to put our country back on a path towards sustainable growth and development so each Caymanian could benefit.

Madam Speaker, we have delivered. By holding true to those commitments, confidence in the political leadership has been restored. The path to economic prosperity has been redefined. And we have returned our beloved Cayman Islands to a destination that is attractive to both the visitors, investors and Caymanians alike.

But while the local economy is now more resilient and better able to absorb external shocks and pressures, our financial services industry, the first pillar of our economy, is facing increased scrutiny. Global pressures are being felt more so now than ever before. The release of the Panama Papers has amplified calls for automatic sharing of beneficial information. Threats of blacklisting abound for noncompliance.

Madam Speaker, we are very fortunate to have the Minister of Financial Services and the Councillor for Financial Services in place, supported by the

Premier, constantly taking advantage of every opportunity to define the key features of our financial services model that address the inaccuracies that exist in international circles. Madam Speaker, the Financial Services Minister's recent presentation to the European Parliaments' TAXE 2 Committee on how the Cayman Islands financial services industry supports the global economy is an important example of his leadership.

We also recall the Premier standing up, pointing out the American hypocrisy on beneficial ownership on the global stage. And as was noted in his Budget Statement, successful negotiations with the United Kingdom on beneficial ownership and a positive outcome at the Anti-Corruption Summit were helping to provide clarity regarding our financial regime, as well as the various mechanisms through which Cayman collaborates with other countries on international tax matters.

Madam Speaker, while this Government is proactively tackling these issues, concerns remain with the global pressure on our financial services. It is against this backdrop, it is critical to our economic well-being that both tourism sectors of the tourism industry; stay-over and cruise visitors, continue to over-perform. Since taking office, our policy has been to implement policies and programmes that support sustained growth in stay-over as well as cruise tourism. Both sectors remit vital contributions which help to keep the wheels of our economy turning.

Madam Speaker, in my Budget Address to this House in 2013, I outlined that the focus of my Ministries would be centred on growing job opportunities and improving the quality of life for all Caymanians. Those priorities have not changed. The programmes and policies implemented by my Ministry continue to be evaluated against those same goals, because at the end of the day, if the people of these Islands are not benefiting from the work that we are doing, then who and what are we doing it for? That is a thought that every Member of this Government has every morning as they wake up, Madam Speaker.

As Tourism Minister, I am extremely pleased with the strong growth and record-breaking arrivals which have been registered between the year 2013 and today. Despite facing challenges beyond our control, such as storms that closed airports for weeks at a time, global health concerns such as Ebola and Zika viruses, stay-over and cruise tourism have maintained impressive growth. Tourism, Madam Speaker, is the driver ensuring that other industries, from retail to recreation, are receiving more people through their doors, spending more money, improving bottom lines, generating profits and creating jobs—and creating jobs.

Madam Speaker, the total visitor arrivals at the end of 2013 was 1,700,000. It was broken down with air arrivals at 345,000 and cruise arrivals at 1,300,000. In 2014, the total was 1,992,000, very

close to 2 million. The air arrivals were 382,000, and the cruise arrivals were 1.6 million. At the end of 2015, the total arrivals were 2,100,000, approximately, broken down with cruise arrivals at 1.7 million and air arrivals at 385,378—in 2013, the highest recorded since 2001. I want to make sure you hear that, Madam Speaker, because I'm not comparing this to a slow season or a down year to show growth. This is being compared to 2001. To briefly recap, the arrivals in 2013 were the highest recorded since 2001, and were 7.4 per cent higher than 2012.

In 2014, visitation continued to soar, and several months exceeded their highest on record in 14 years—in 14 years, Madam Speaker. Visitor arrivals topped 382,000, which represented an 11 per cent increase over the previous year, which was already up 7 per cent. This was more than double the regional average, Madam Speaker. In terms of actual numbers, 2014 arrivals exceeded 2013 by approximately 37,000 visitors. So the best year we've had, the next year exceeded it again.

Rounding out the year, unprecedented increases, Cayman Airways transported a record-setting 412,546 passengers, an increase of 25,000 passengers over the year before, which was a record-breaking year. All areas of the airline's core operational areas saw increases in 2014, including the strategic services purchased by the Cayman Islands Government for tourism routes.

Madam Speaker, while 2014 was a remarkable year in terms of visitation and growth in tourist arrivals, the story of 2015 was even more impressive. Stay over arrivals exceeded 385,000, our highest in recorded history—our highest in recorded history. Arrivals in March exceeded 45,000, making it the highest record-breaking month in the history of Cayman's tourism.

So, you see, Madam Speaker, we're not comparing this to numbers that were down before, that we show a rise. We're comparing this to the best numbers that Cayman ever had. And we have topped those numbers. Six out of the twelve months in 2015, namely, January, February, March, April, August and November, were the best ever in our recorded history. And you'll note the month of August, which is typically considered slow season, is included among the record-breakers.

Madam Speaker, to speak on cruise passenger arrivals, in 2013 it was just over 1.3 million. Admittedly, this represented a decrease of 8.72 per cent over 2012. But due to a coordinated effort between Government and our cruise partners, passenger arrivals jumped to 1.6 million in 2014.

An Hon. Member: What was it before that?

Hon. Moses I. Kirkconnell, Deputy Premier: Before that, in 2012, it was 1.3 million.

[Inaudible interjection]

Hon. Moses I. Kirkconnell, Deputy Premier: This translated into an increase of 17 per cent over 2013, or 233,000 more passengers.

Madam Speaker, for 2015, the target was increased again, to 1.7 million passengers. And by year end, the numbers did not disappoint. Not only was the goal met, it was exceeded by more than 16,000 passengers, making it our highest year in total in 20 years.

Tourism arrival statistics are generally viewed as a barometer of the industry's success and your country's economic well-being. Perhaps a more illustrative indicator of tourism performance, Madam Speaker, is its contribution to the Cayman economy. You see, Madam Speaker, our thought as a government is, we have to move forward. We have to grow this country. We have to create opportunities. We have to put skill sets in place. And one of the tools that we have to do this with is with our tourism product. As I go through my remarks today, you'll see there's a thread, talking about how we take advantage of building an industry, empowering our people and growing our economic well-being.

Between 2013 and 2015, stay over visitation increased by 40,000, year over year. And cruise arrivals increased by 341,000, making a combined increase of 381,000 more visitors arriving year over year. This combined increase, Madam Speaker, contributed to a direct-spend increase of \$88,698,000. Madam Speaker, that's a one-year direct increase because of the growth in tourism put into the economy of the Cayman Islands. And it breaks down in how we have approached this in a balanced way, 40,000 stay over visitors who have an average stay of 6.76 days, and in those days that they stay, excluding airfare, they spend approximately \$183 [per person per day]. This broke down to approximately \$50 million of spend for stay over.

At the same time, Madam Speaker, in year 2015, the increase of 341,000 cruise visitors, with an increased spend to \$115 per day, broke down to approximately \$40 million, reaching two different economic areas of employment and job creation. Approximately \$90 million was the growth between 2013 end and the year ending 2015. One year increase, direct spend—\$90 million.

Madam Speaker, these increases are reflected in the tourism accommodation tax, which have grown year on year, making a greater contribution, as well, to the government coffers. The tourism accommodation tax collection for calendar year 2013 was \$15.4 million. For 2014, Government collected \$19.8 million, an increase of 28 per cent. And in 2015, the accommodation tax amounted to \$20,800,000, representing 5 per cent increase.

Madam Speaker, comparing apples to apples between 2013 and 2015, the increase in stay over

arrivals of 40,000 visitors resulted in a 34.87 per cent increase in accommodation tax received by Government. This significant level of growth is the result of increases in three key areas: an increase in the room rates compounded by an increase in stay over arrivals compounded by an increase in the tourism accommodation tax itself.

With respect to government taxes collected from cruise ship passengers, Madam Speaker, the Government collects \$6 per passenger, which contributed an additional \$2 million to the Port Authority's bottom line, with the increase of 341,000 cruise passengers.

Madam Speaker, I think the point here is the balance in stay over and cruise that we continue to work hard to develop, and take advantage of both the opportunities. The impressive growth in tourism arrivals did not happen by accident, Madam Speaker. Rather, this success is the result of careful planning and decisive action, and it is due to the proactive efforts of the Ministry, working together with the Department of Tourism, Cayman Airways, private sector, Cayman Airport Authority and all the other tools available to us—Immigration, Customs, in a positive way to win as much sustainable tourism business for our Islands as possible.

I have said many times that there's no magic formula to drive visitation to the Islands. There's not a one-size-fits-all solution that automatically brings growth. Rather, it takes a sound understanding of the opportunities and challenges, and a willingness to do something about it. Very early in our term of office, we forecasted the need for additional accommodations to keep pace with increased arrivals. Madam Speaker, we currently have a total of 5,449 rooms. We are at maximum capacity in our season, which means that we have no more space on the Island for people to arrive by plane. Madam Speaker, we have no ability to increase the number of people when all the rooms are full.

So that is the strategy that we've talked about, moving into the shoulder season, and when we have slower times of the year, to point in the direction of bringing people to increase stay over visitation.

Madam Speaker, if the infrastructure itself does not keep pace with growth in arrivals, the investment made to market our Islands will be wasted. And that's why we continue to work with partners to develop more investment in the room sector itself. Madam Speaker, the Government is not in the business of building hotels. But we recognise that a successful tourism industry is a powerful stimulus for development. We therefore pledged to create a more welcoming and lucrative business environment to encourage investors to choose the Cayman Islands.

And yes, Madam Speaker, my good friend from North Side gave us an oration earlier today about giving incentives and taxation and how it works, and how the trickle-down works. But I think there's one

part of the formulae that needs a little more explanation. Madam Speaker, he is absolutely correct that we don't have income tax. We don't have property tax. What we do have is consumption tax. And how the industry works and how growth works is the responsibility of a government to look at the opportunity to grow their country to give benefit to each of their citizens for education, health, employment. Madam Speaker, that is the opportunity that this Government looks at to see when we find what we believe is a very positive developer that has a development that coordinates with what we are trying to accomplish here that adds balance to where we want more economic well-being, example being St. James Point in Bodden Town, which does not have a five-star resort in it, and certainly has a population base that is looking forward to the new jobs and the new opportunities that will be created.

The way the Government derives its income from that, Madam Speaker, is the Government gets a tax, an import duty, on everything that is consumed and everything that is brought in. So the activity that creates jobs, the activity that brings more people in—and I can say it simply, that if you provide an incentive to bring in 10,000 visitors, tourist visitors a year, who spend \$200 a day, that money is what trickles down into the economy and creates what it takes for the Government to operate and creates the tax base that we operate from.

And, Madam Speaker, if we never give an incentive and we never work with a developer and we never work, whether it's local or foreign, FIN—it is Caymanians building that now right here in George Town, an opportunity for Caymanian businessmen. If we don't work with them, if we don't give them incentives, if we don't create a growth in our economy, the Government will never get any new revenue. That's how consumption tax works. So that is why the consideration for incentives is given. That's why in certain areas you're more aware and more willing and more interested in giving different types of concessions. And that's why we continue to look at opportunities of how we can move forward.

This Government was the first government that was approached by the Howard Hospitality Group to do Margaritaville Resort. This Government worked with them. They worked with them with some incentives. And that is under construction, and 90 rooms are to be opened by December. Madam Speaker, if we hadn't done that, the jobs for the 90 rooms wouldn't have been created, the trickle-down effect wouldn't have been created and the Government revenue that spills out into all the necessary functions of government would not be available. So that's the growth part of it.

Madam Speaker, existing hotels have expanded their operations, and new hotel properties are in the pipeline for development. By 2019, these sizable capital investments will boost our accommodations

capacity by 20 per cent and provide jobs and growth opportunities for the tourism industry over the short, medium and long term. To give this Honourable House an idea of the scale of these hotel developments, they will include the Kimpton Seafire Resort and Spa. In November 2016, Kimpton will open. It will unveil its first Caribbean resort along Seven Mile Beach. This boutique property offers 266 guest rooms and 62 residential suites, along with a spa, restaurants and retail promenade. I have no hesitation, Madam Speaker, in saying that this resort, once opened, will provide guests with a premiere resort experience.

St. James Point, as mentioned, is in the Beach Bay, Bodden Town area, Madam Speaker. It's built to be a five-star. I think everybody in this honourable House knows about it. It's a \$250 million luxury resort. It's a multi-use property which will feature 200 rooms and more than 90 residential units, in addition to several restaurants and spa.

Madam Speaker, the diversification of our tourism product takes a major leap. For golf enthusiasts, as we try to move into that type of tourism, golf tourism, the destination in 2018 of the Arnold Palmer, in conjunction with the Ironwood Cayman, has announced the development of a PGA Championship golf course and resort, which will be designed by Arnold Palmer himself. The plans for this are now at the Planning Department, Madam Speaker.

And, Madam Speaker, we know of the success of Health City. It continues to progress in its plans, and it is now on track to build 185-room hotel that will further enhance the destination of health care in the Cayman Islands. The development plans around Health City include a new supermarket, bank, gas station, pharmacy and restaurant in that area—three very strong projects for the Eastern District, Madam Speaker, again that show how incentives can move development in certain areas.

I mentioned the Treasury Island Resort earlier this year. The Howard Hospitality Group acquired the Treasure Island Resort. The property is now undergoing a major transformation and will rebrand to the Margaritaville Resort. It is expected to put 90 rooms on the market in December of 2016. Madam Speaker, the resort will feature 280 guest rooms, spa and a two-story water slide with a family theme.

Madam Speaker, the Dart Group have revealed plans to construct a five-star hotel along the Seven Mile Beach corridor. The international brand is not yet known or announced, but we can safely assume that the addition of another five-star property in the Cayman Islands will lift our tourism accommodation product to new heights.

The old Hyatt Resort, Madam Speaker, the Dart Group also recently acquired it, which has been standing derelict for over a decade. No indication has been provided as yet regarding future plans or potential number of rooms. But suffice it to say that we

would expect the opportunity there is for it to be added to our tourism product, hopefully with a golf theme and a four- or five-star flag flying on it.

As well as adding hundreds of millions of dollars into our economy, Madam Speaker, these projects are an indication of the level of confidence investors have in this Government and this jurisdiction. And it's twofold, Madam Speaker, because the construction industry itself is the group that benefits initially. But after it's completed, the business of tourism that is really our export, the people who come here bring foreign cash here. So it's just as if we had some type of valuable asset that we could export, some type of natural resource that we could export; we would expect to get cash in for it.

Our export is really our tourism market itself and the people who come here to spend the money. So it's an investment that continues to pay after the construction is over of it. After the construction has been finished, then it continues to pay in and create opportunity for the Caymanian people.

When seeing infrastructure projects like the redevelopment of Owen Roberts International Airport which has been talked about for over a decade and the revitalisation of George Town actually happening, because this Government made a commitment to that effect, investors are reassured that Government is keeping its word. It is following international best practice, and that is the kind of business environment that investors look for and invest in.

Madam Speaker, Owen Roberts International Airport, it has been talked about for a long time. And I think that one of the reasons it could never get started was because there were always reasons that people would say why it couldn't get started. What we faced was a desperate need for an airport to be grown to the point of our arrivals and departures, but the fact that we had difficulty arranging the financing for it. So when we put the budget of \$55 million on it, Madam Speaker, that's what we knew that we could get, servicing it through the fees that are paid by the passengers who go through, and working with cash flow. And we were able to move forward with it.

I think that today, maybe because of the cash situation the Government is in and the prudent management of the country, as we have done, we might have looked at it in a little different way. But we would be a year-and-a-half behind in trying to get started on it. So another term of Government would have gone without starting on that airport.

Madam Speaker, from an industry standpoint, new hotels and international brands will add interest and diversity to our product base. This in turn will expand our ability to market a high-end cosmopolitan and sophisticated tourism product. It is worth noting that increased visitor arrivals are also encouraging the development of small, locally owned boutique properties, guest houses, businesses, restaurants, tour op-

erators, as well as attractions such as the recently opened Crystal Caves in the District of North Side.

Madam Speaker, in the new sharing environment that has moved into the tourism industry, you see TripAdvisor. You see Airbnb. You see Vacation Rental by Owner, VRBO. What these do is to allow people to compete and become involved in the tourism industry for a very low threshold. An example is that if you have a small property and it's a two-bedroom, and you get it licensed, you can advertise it and you can put guests in it once it's licensed by the Department of Tourism. Further to that, Airbnb is actually going to where you can rent an individual room.

So, Madam Speaker, the Cayman that you and I know is so well in tuned to take advantage of this opportunity because of our connectivity with the outside world, because of our global experience, because of the friendliest people in the world. You see this growing faster, and you see local participation in this that brings people back as stay over visitors over and over and over. You and I both know that in our constituency, that is the fastest-growing sector, the private villas owned by private individuals who are taking advantage of each of these opportunities. And I'm safe to say that it is also blooming and blossoming in every other district in Cayman.

These are the kind of opportunities, Madam Speaker, which we create with infrastructure, that we create with a proper airport, and that we create with proper airlift. And when you see the numbers and you see the proof, you understand that what this Government is doing is delivering and working for us, the people.

Looking ahead, Madam Speaker, with all of that as the backdrop, you will see that the 2016/17 Budget, which the Government presented today, is designed to build an encouraging tourism performance that has been recorded between 2013 and present. In a global environment where tourism dollars are hotly contested for, maintaining our competitive position means marketing to travellers in a way that stands out in an overcrowded international marketplace.

I think before, I explained as simply as I could of how you and I could participate. What we do from the Department of Tourism's aspect and the marketing, we really drill down in a more overarching way to make sure that name recognition and the opportunity that when people hear *Cayman*, they want to find out a little bit more about it. We have a yield-driven approach. It is adopted to ensure that as much of our marketing spend as possible, translates into increased arrivals. This method is strategic, targeted and measured, and places the traveller at the centre of the marketing initiative.

Market intelligence capabilities have also been enhanced so that more informed decisions can be made about our target demographic. Having identified level of home income required to visit and really

enjoy the Cayman Islands, what the Cayman Islands has to offer, we can be assured our promotional efforts are reaching the right market. Even so, marketing tactics are continually being revived and reviewed and sharpened to deliver the right message at the right time to the right audience to drive demand for travel to the Cayman Islands.

Even in the face of outstanding results, the Ministry and Department of Tourism are working hard to capitalise on top-of-mind awareness being generated. And we're working even harder to convert that awareness into sales and revenue. Top-of-mind, Madam Speaker, goes to when we as a destination put our name out in front, that when somebody mentions a key word or an area—if they mention *Caribbean*, what's on the top of your mind is Cayman. If they mention *blue water*, what is on the top of your mind, is the Cayman Islands. If they mention *Cuba*, we want top-of-mind because they associate it with the Caribbean base in top-of-mind. And we want Cayman Islands to be recognised in that same wording and thought. And that is the issue and the push of our holistic name recognition.

For example, Madam Speaker, according to IRR, which is Integra Realty Resources, Caribbean's marketplace for 2016, for the first three quarters of 2015, the average daily rate (ADR) in Cayman, increased by 14.3 per cent, to \$364. Madam Speaker, that speaks to when there are no rooms available, and you have over-demand, price goes up. So we feel very comfortable as we add new rooms, they will also have the number of people that are needed to give them the occupancy to be successful.

That brings us back in line to where we were before the financial crisis, that price, Madam Speaker. Cayman has the highest ADR of any destination in the Caribbean. And again, that shows the need for more rooms. The second-highest in the Caribbean is the US Virgin Islands and the third is Barbados. Madam Speaker, in terms of where we are today, because this Government continues to create the right kind of environment for our industry partners and businesses to be successful, 2016 promises to be another solid year of growth. This means more jobs for our people, more business opportunities, small business and tour operators and taxi, and more revenue for our economy.

Madam Speaker, we pledged to the people of this country that our multifaceted approach to stabilise, stimulate and grow the economy would result in more jobs. And it has.

What do we see on the horizon? Over the next few years, we see tremendous opportunity ahead, Madam Speaker. We see a bright light for this country. Managing that growth opportunity means striking the right balance between marketing, airlift, room stock, attractions, transport, managing the customer experience, building repeat guests. And this is

being accomplished, Madam Speaker, through different channels.

Over the next three years, the Cayman Islands Department of Tourism, for example, are looking at new business development opportunities in the Midwest, on the West Coast of the United States, Canada and Latin America. The DOT continues to work closely with Cayman Airways and other partners in lift, providing support and direction through research, marketing and route development. The new tourism properties, Kimpton and Margaritaville are being introduced as we stand here and speak to markets to drive demand ahead of their opening.

Madam Speaker, the Department of Tourism is also helping to create private sector industry opportunities to deepen tourism and travel business knowledge. For example, with TripAdvisor search engine, optimism and destination weddings and honeymoon workshops, the information, Madam Speaker, that is available—as a very quick example, if you mine the information of people who use a MasterCard, you will find that they usually purchase an airplane ticket to go on vacation on Tuesdays. So that is the point that we drill down to know that we need to put ads in specific areas on Mondays to make sure that they have that opportunity on Tuesday to buy the ticket to come to the Cayman Islands.

Madam Speaker, the development of new infrastructure is also a key part of that equation, because more growth places more demand on infrastructure—20 per cent growth in room stock, Madam Speaker, is a good problem—more demand. A good example of this, Madam Speaker, is the redevelopment of George Town. We can all see that the George Town Revitalisation Programme is moving forward with the new roads and new business opportunities.

Madam Speaker, I take this opportunity to thank the Minister of Planning for leading that initiative and moving it forward as we drive on the new roads and see the new opportunities.

Madam Speaker, prior to taking office, the PPM Party pledged in our manifesto that we would seek to renegotiate aspects of the ForCayman Investment Alliance Agreement that had been entered into by the previous administration with the Dart Group. In our view, Madam Speaker, the agreement set precedents that created an un-level playing field for existing tourism stakeholders. On that basis, we sought to re-examine the deal and derive an outcome that was not only more equitable, but also more beneficial to the people of the Cayman Islands.

As the Premier noted, Madam Speaker, the third amendment of the DART/NRA agreement is now signed. This revised agreement removes the controversial room tax concession, which was one of the major bones of contention for the tourism industry. In addition, it commits the Dart organisation to completing roadworks, such as the construction of two addi-

tional lanes along the Esterley Tibbetts Highway on the approach to Camana Bay.

Madam Speaker, the Dart Group of companies has made a significant investment in the Cayman Islands over the years. Their long-term plans include development of at least two more hotels along Seven Mile Beach corridor. Camana Bay is expanding and will benefit from several million dollars of additional investment. Based on these few examples, Madam Speaker, Dart's financial strength is clearly evident, but so too is the company's commitment to these Islands. I believe the country can be satisfied that the new terms are more even-handed. I thank all parties involved for their hard work throughout this consultation process. And I believe that we understand that it has to be a balance. As the largest investor in our country, we have to make sure that it's balanced for the people of the Cayman Islands and for them as a business entity. And we understand that, Madam Speaker.

Madam Speaker, we briefly touched on Owen Roberts International Airport. I'd like to talk a little bit about the redevelopment and the airport expansion. While the increase in passenger arrivals interim improvements at the Owen Roberts International Airport were put into effect to ease congestion while the redevelopment takes place, I think that each one of us, as we think back to the start of 2013 and what we faced as the season came upon us at Owen Roberts International Airport, will agree that the emergency works that were done there as quickly as possible until the redevelopment could start, have been as successful as they could possibly be.

The covered walkway, which was installed airside along the apron length, to protect passengers from sun and rain. A temporary departure area consisting of steel frame structure designed for airport use. The new departure hall adds 3,600 square feet, Madam Speaker, of extra space. It accommodates 230 passengers and is equipped with four restrooms, air-conditioning and a PA system, and it additionally provides Owen Roberts International Airport with eight departure gates, one for each parking on the apron, and has significantly reduced the congestion experienced at peak travel times.

Could it be better? We all wish it could be better, Madam Speaker, but I think that we all have to agree it has certainly gotten much better in the last two years. An in-transit area was also constructed, enabling passengers to be screened and processed separately from stay over passengers arriving into Grand Cayman; having the ability to process passengers in separate areas greatly improved efficiency. The wait time in the main hall has been reduced. The arrivals and processing experience has been significantly improved for travellers, with the addition as well of a third lane there for the hand baggage checks going in.

Additional border control officers were added to process arriving passengers more timely and reduce the overspill that backs up outside the arrivals hall building. Customs officers also work to process more passengers during peak time by adjusting their scheduling and the number of officers there, Madam Speaker. And we always say a big *thank you* to the uniformed branch out there, all the work they have done to help move that forward as we wait for the new bricks and mortar.

A passenger concierge service was also established, Madam Speaker, to provide a seamless transition for passengers willing to pay for expedited service, and also to help medical patients in our medical tourism in more than Health City, but other providers of medical tourism. I can tell you that Health City does take advantage of it.

While these are just some of the temporary solutions, Madam Speaker, to provide more comfort to passengers, I'm pleased to note that the progress continues to be made with respect to the redevelopment and expansion project itself. Phase 1 broke ground in September last year. It will be completed on time and on budget. Phase 2, the contract for phase 2, worth \$42.5 million, was just signed with McAlpine and will include the renovation and expansion of arrival area, departure lounge, check-in lobby and other areas. The work will be carried out in several sub-phases so that the terminal can remain fully functional, safe and secure throughout the construction period. The entire project, Madam Speaker, will be completed summer of 2018.

I think that if we look at the size of phase 1 and realise that that was a \$3 million project, part of the phasing, the \$42 million second phase can be expected to show a much larger footprint than we're used to seeing there at this time.

Madam Speaker, the 20 per cent growth in a short period of time in hotel rooms, opportunities that came up, are what we would call *trigger events*, triggers that make us look at our airport itself. In addition to the redevelopment, discussions are also taking place to see how best the airport's runway can be extended. Longer runway, Madam Speaker, would be better able to accommodate different aircrafts and loads, and would open up opportunities for more long-haul flights from various gateways, such as West Coast, the US, Canada, LA, Seattle, Calgary, into South America and opportunities as we get different brand hotels that look at that market.

We go back, Madam Speaker, when we talked about marketing, airlift, hotel rooms, attractions, transport—when you give the opportunity for longer-haul aircraft, for other areas to move away from your core market, you provide the infrastructure that's needed and the look at having a longer runway gives the infrastructure that's needed for expansion into these areas and more success into some of the new brands that may be stronger in those areas.

The West Coast and Midwest United States are important growth markets that we are looking to expand to. The Department of Tourism will be looking at developing a capacity management plan. And further decisions will be made once this assessment has been completed.

While on the subject of infrastructural developments, Madam Speaker, I am pleased to provide an update on a cruise berthing facility. And I want to just take one minute to say that a cruise berthing facility is like a highway. Our cruise berthing proposals do not have upland development. You don't have any intrusion into markets that are already established. We were trying to create opportunity in the redevelopment of George Town, where more Caymanian-owned businesses can become more involved in the tourism of cruise passengers.

If you look at the ship itself, in the same way that you have to get from George Town to Turtle Farm in the easiest possible way, you want to arrive on a ship, and you want to get over the dock or over the water to get to the island to enjoy the attractions. Because, remember, the largest percentage of arrivals leave George Town. When you go down on a day with cruise ships, which is most days, when you see the buses going to West Bay, going to the eastern districts, you realise that we have to make it easier for cruise arrivals to get here.

So this is an infrastructure demand that gives opportunity for every one of the attractions that are located all over these Islands. And as we get them over the dock in a faster, speedier way, saving time, it gives them the ability to go farther east and farther north and give opportunity to more small businesses that are dependent on tourism.

A strategic outlined case, Madam Speaker, was started by the last Government. The strategic case had to be done because of any project over \$10 million. The strategic case started by the last Government, Madam Speaker, said that we should proceed to the outlying business case. PricewaterhouseCoopers in an open tender was chosen. The business case itself was completed in the fourth quarter of last year. And that report concluded that the estimated economic benefit to be derived from the piers exceeded the environmental cost associated with the damage to the environment and reef.

Notwithstanding that, Madam Speaker, the Cayman Islands Government agreed to have the pier designs reviewed to identify a more environmentally friendly outcome, if possible, such as moving the piers to deeper water, turning piers different degrees, minimising the dredging. Throughout this entire process, Madam Speaker, Government's overarching objective has been to arrive at an outcome that will deliver maximum economic benefit to the people of the Cayman Islands with the least environmental impact to the George Town Harbour.

Consequently, Government agreed to rework the designs for the cruise ship piers. Conceptually, the reworked designs indicate that it is possible to have less dredging and to move the piers into deeper water. So, Madam Speaker, on that information, the Government, led by the Public Works Department, carried out a pre-qualification tender to hire a civil engineering group to look at what the new design would entail and what the cost of the new design would be.

This resulted in four companies becoming prequalified. The RFP for the civil engineering design work was subsequently issued in May and is expected to be back and the design group appointed in the middle of June. In the meantime, the Ministry of Tourism has been in discussions with the cruise industry partners to arrive at a funding model that will deliver the best possible outcome for the country. The Ministry will report to the Foreign and Commonwealth Office and Cabinet, once this model has been achieved.

Madam Speaker, in response to those who believe the piers are unnecessary, that we should be mindful that today's cruise passenger is usually a percentage of tomorrow's stay over guests, we as a government have had an open and transparent process. We have tried to gather as much information as possibly available to make an informed decision. We own all of the intellectual property, the environmental impact assessment—it belongs to the people of the Cayman Islands. The decision will be made on information provided to us through best practice and through globally recognised firms and experts in every field that we have had to hire.

I don't really know, Madam Speaker, if there is any other way that this Government could have approached this to make sure that we have as much information to make the best informed decision we can for this country.

Madam Speaker, in saying that, I can assure you that Government is aware that the pursuit of cruise tourism should not be at the expense of stay over visitors; rather, we are working towards achieving a balance for two sectors to co-exist and to benefit all that depend on both areas for work and a livelihood. We believe that constructing cruise berthing piers will provide—let me say this, Madam Speaker—a great economic benefit and will help our Island maintain our competitiveness as a cruise port destination.

It will also provide other opportunities. And I'm optimistic that Cayman's proximity to Cuba will create mutually beneficial opportunities for our Islands to be included in the Western Caribbean itineraries, as Cuba opens more and more and we see it on a daily basis for the cruise industry. This would be a desirable option for cruise lines to pursue. And, Madam Speaker, the cruise berthing facility will put us on a level playing field with our competitors to the south, to the north, to the west and to the east. And we will be on a level playing field when the new routes are being considered in the boardrooms of the cruise lines.

Madam Speaker, as Cuba is a new destination, cruise passengers will be more inclined to overlook the inconvenience that comes from not having piers in order to experience the destination. But they are unlikely to accept an itinerary that continues to include two or three ports back-to-back, where tenders are the only means of disembarkation.

It is also worth nothing, Madam Speaker, the cruise berthing project will not only help safeguard our vital cruise business, but it will also give us the ability to expand the cargo port, which is long overdue. The current configuration of the port, Madam Speaker, is severely limited at present. Our cargo facilities are essentially constrained on both sides by cruise operations, Royal Watler and North Terminal. The ports' capacity to grow to meet increasing demand for cargo and aggregate will be exhausted within a few years at the growth rate we now show. If we do not take the opportunity to remedy this situation, Madam Speaker, while the cruise piers are being constructed, as it is a unique opportunity for us to take advantage of, it therefore makes most logical and financial sense to address both needs in tandem.

Madam Speaker, it is clearly evident that Government continues to take bold steps to position tourism as a cornerstone of economic growth and job creation—and for good reason: Increasing visitation translates into the delivery of greater economic benefits for the wider cross section of people. The knock-on effect multiplies throughout the community, creating jobs and entrepreneurial opportunities for Caymanians. More visitations mean more taxis and tour operators in a sector reserved for Caymanians. The Ministry has issued more than 65 taxi licenses and looks at more as the season comes on. More crafts and souvenirs being sold, more hotels and restaurants operating at capacity—this fuels the need for more hotels and infrastructure, leading to more inward investment coming into the country.

Madam Speaker, a topical issue of the day has been beach vending. More visitation to success of this Government in driving the growth in the tourism industry, places stress on some of our public areas, such as beaches, during times when higher numbers of people are using the same area at the same time. Madam Speaker, I've been the Minister of Tourism for three years. I can't say that this problem wasn't here when I got elected. I can say nothing was being done about it when I got elected. And we have done everything we could to try to create the craft market by the cricket grounds to give more kiosks in more areas; the craft market itself, of how we could expand that, to try to not displace any of the vendors.

Madam Speaker, the subject of beach vending, particularly on public beach, has become an issue of late, and complaints have been received by the Ministry of too many not-pleasant experiences there between the vendors and—whether it be Caymanians or visitors on the beach. To put this into the proper

context, Madam Speaker, the problems surrounding vending at public beach are multi-faceted and have arisen and escalated largely because of unprecedented growth and because of an opportunity there that we want to make sure vendors can take advantage of.

The Ministry is aware of the issues, and we're working on implementing solutions. An intra-ministerial committee, led by Ministry DATT (District, Admin, Tourism, Transport), including the Department of Commerce and Investment, the Ministry of Planning, Police and Immigration has been established, and the team is collaborating to manage the issues as we speak, Madam Speaker. The Ministry has taken a balanced approach whereby the needs and expectations of our visitors are balanced and our local Caymanians, against the needs of the vendors. Rather than disenfranchising the vendors, who depend on this sale to support their families, our objective is to ensure that vendors who are properly licensed and in accordance with the law are empowered to provide the best experience possible to our guests. And, Madam Speaker, we are happy to work with them, the PRIDE [Personal Responsibility in Delivering Excellence] Programme. There are a lot of programmes out there that we have made sure they know about.

With this objective in mind, we are working with all of the relevant agencies to find the right balance. This morning I spoke to the Minister of Planning to talk about one of the areas that we had to understand how we can actually allow the vendors themselves to use Government property before the proper legislation. And it's just that inter-ministerial communication that is working to get this resolved as quickly as possible and in the right way for all concerned.

Madam Speaker, I made it clear when I started that this Government did not expect to take credit for anything that we came and found. I have said many times that we found a foundation, or groundwork, of a hospitality study school. And we believe that was something that was needed, and needed as quickly as possible. The Ministry of DATT remains committed to encouraging that young Caymanians pursue a promising career and opportunities in tourism. Madam Speaker, we pledge to provide a hospitality school for Caymanians to become trained and qualified. I am very pleased to say, Madam Speaker, we delivered that, and we are now going into our second year that we will have young Caymanians coming out in our events. I am immensely pleased with the success.

During the 2014/15 academic year, 26 students registered for the programme. Eighteen completed the City and Guilds Certificate. Five completed UCCI [University College of the Cayman Islands] Hospitality Certification, of those students. Twelve had confirmed jobs in industry. Nine are still employed. Five others are pursuing higher education. That was the first year, Madam Speaker. That was the start. We made sure that parents and guardians were involved

in every social, meeting, event that took place. We wanted to make sure that entry levels had no barriers in front of them, and we made sure the funding was in place, that whatever they needed from a scholarship standpoint was available to them.

Madam Speaker, there's no better day to spend than to go down to the hospitality school for a couple of hours and see those young people, whether they're talking about food and beverage, front desk, but to see the enthusiasm and the excitement. And then the experience Councillor Hew and I have had is, after they've actually graduated, to see them in the work environment and see them working and the enthusiasm and excitement they have for their job. And every one of them whom we've talked to talked about how they're going to continue their education, what's available to them.

In 2015/16, Madam Speaker, 28 students enrolled in the programme. Twenty-three are current. There are 18 students on rotation to the industry. The other students who are not on rotation are currently being groomed for the industry and will be on rotation soon.

The School of Hospitality Studies is proving to be a viable stepping-stone for assisting young Caymanians to get a foot in the door of the hospitality industry, armed with an internationally accepted qualification, Madam Speaker.

Madam Speaker, I want to mention the Minister of Education because she has been involved with this, and thank her for her help with this. And what we have found is that the partnership with the private sector, including CITA [Cayman Islands Tourism Association], Ministry of Education, Tourism Department, Ministry of Tourism have provided a hybrid model for a very, very successful vocational school. Never let it be said that a young person in Cayman cannot get the proper training or the skill set that they need to get into the tourism industry.

Madam Speaker, we all—and I think I can speak for everyone in this Chamber, including you, Madam Speaker. We all want great success for the young people of this Island. And we understand that we have to provide the education, we have to provide the skill sets that they may need. And I will move to say that if somebody who is not a young person comes and wants to take this course, they will be welcomed, that we can retrain and reintroduce them into a very exciting field of employment and career opportunity.

Because, remember, Madam Speaker, tourism involves everything. It involves human resources, accounting, gardening, food and beverage. Everything that you can think about is needed for our tourism product to be successful.

Madam Speaker, we are also very pleased that we wanted to move past the entry level, to give Caymanian people opportunity and success. And one of the things we were finding is that it's somewhere

between US \$35,000 and \$40,000 to go abroad to a hospitality school.

We took the opportunity to contact Johnson & Wales, one of the most well recognised hospitality schools in the world. And we were successful in having a very good relationship with the President of the School, Doctor Rice. And we have succeeded in securing a scholarship from the school itself of \$15,000 if you have a 3.5 grade point [average] and \$10,000 if you have a 3.0 grade point, and it scales down to 2.5 to \$5,000. But it also allows that, with the Government scholarship or the Tourism scholarship combined, you will have enough scholarship money to go to Johnson & Wales, turnkey, including food, including room, including books and school, classwork. And the scholarships from the school and from the Cayman Islands Government Department of Tourism or Education will make you whole, that you will have nothing to repay when you come back with the work experience part of it and to take a job.

I would say, Madam Speaker, that everyone whom we know who has come back is now working in the industry. And some have actually moved from different hotels for better opportunities.

Madam Speaker, the Ready to Work programme is also in place. We want to make sure that Caymanians know that it is in place if they want to get into the tourism industry and participate. I think the Premier spoke about it. But again, it's another one of the tools of trying to get people introduced into the tourism industry, because we have depended and been so reliant on the financial industry, the lawyers, the accountants and all of the opportunities it provided there, we didn't look and accept and sometimes take advantage of the opportunities that . . .

[Inaudible interjections]

The Speaker: Order, please.

[Inaudible interjections]

Hon. Moses I. Kirkconnell, Deputy Premier: You can't build a dock where you have [INAUDIBLE]. I mean, you can't do that.

The Speaker: We can only have one Member speaking at one time.

Hon. Moses I. Kirkconnell, Deputy Premier: Madam Speaker, as you can see from the brief synopsis of educational opportunities that we have put in place, we are working to move and give opportunities to as many Caymanians as possible to take advantage of the tourism industry, and we feel very comfortable that we're having success in providing this type of opportunity.

Madam Speaker, I want to move to Cayman Airways. Turning our attention to the national flag car-

rier, the Ministry and the Department of Tourism have a strategic relationship and responsibility to grow and drive visitation to the Cayman Islands. One way this is accomplished is through ongoing business relations with the National Flag Carrier, as well as with the other major legacy carriers that transport visitors to our shores. It is a pleasure to advise this Honourable House that Cayman Airways has maintained a strong financial standing. It first emerged last year. This turnaround in fortunes is a manifestation of the policies of this Government taking effect, leading the airline to growth and prosperity. And I thank the Minister of Finance for his work and stewardship and some of the strategies that were put in place to drive some of this success.

Projections indicate that the airline is in the strongest position ever and is currently ahead of the last fiscal year. It expects to finish this fiscal year, end of June, with a net profit of US \$4 million. Year over year, [US] Northeast region continues to account for the largest visitor arrivals to the Cayman Islands, delivering more than 25 per cent in overall visitation. They are also, Madam Speaker, the highest-spending group that comes.

The Speaker: I recognise the Honourable Premier; we have reached the hour of interruption.

SUSPENSION OF STANDING ORDER 10(2)

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

Madam Speaker, I beg to move that Standing Order 10(2) be suspended in order that the business of the House may continue before the hour of interruption.

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 interruption.

All those in favour, please say aye.

Those against, no.

Ayes.

The Speaker: The Ayes have it. Accordingly, Standing Order 10(2) is hereby suspended.

Agreed: Standing Order 10(2) suspended.

The Speaker: I once again recognise the Honourable Deputy Premier.

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

Madam Speaker, I was talking about Cayman Airways, and we were talking about the visitation from the Northeast region, which continues to account for the largest visitor arrivals to the Cayman Islands, delivering more than 25 per cent of the overall visitation.

[Inaudible interjection]

Hon. Moses I. Kirkconnell, Deputy Premier: Northeast region of the United States—thank you, Premier.

Additionally, since expanding the Southwest market with Cayman Airways in 2012 and American Airlines in 2015, we've seen a positive increase in visitation from this area. The end of 2015 arrivals from Southwest registered over 8 per cent growth, and the region is positioned to remain as a very strong market for Cayman.

Madam Speaker, the additional air seat capacity from the Southwest region to the Cayman Islands will impact our economy through an increase in multi-generational and family travel, along with a consistent flow of business travellers. Diving, leisure get-aways, weddings and honeymoons are also some of the top reasons Southwest travellers are attracted to the Cayman Islands. Given more air capacity, the Cayman Islands Department of Tourism will provide promotional support to increase destination awareness and bookings.

Additional seat capacity from a modernised Cayman Airways fleet, along with the expanded year-round service from American Airlines, is set to drive visitation levels from Dallas, particularly over the summer months when it is most needed to flatten the effects of seasonality. What that basically means is that we have rooms available in summer, Madam Speaker. The growth of Dallas airlift through Cayman Airways creates a dual opportunity to promote the Cayman Islands in Texas and to develop new business. First, research has shown us that the catchment area for persons who travel out of Dallas/Fort Worth Airport, includes surrounding cities, with some travellers willing to drive up to three hours.

Second, the Dallas airlift service is a direct connection point to the West Coast and Midwest. At present, this route is predominantly led by American, via their existing networks. And, Madam Speaker, when we talk about the Midwest and the West Coast, we look at pockets of wealth. As you look at San Diego, Los Angeles, San Francisco, Seattle, Vancouver, and you look at how you get to penetrate that market to make sure that the ones who would enjoy Cayman know that it's easy to get to Cayman, and the opportunity is there.

Dallas offers more opportunities for travellers to connect to the Cayman Islands, which will help to realise increased feeder market from these centres of wealth. And I am pleased, very pleased to say today, Madam Speaker, that Cayman Airways is now analysing the opportunity to add year-round flights two days per week to Dallas, starting in this winter season.

Madam Speaker, not too long ago Cayman Airways announced that it would be investing in a new fleet of aircraft which will enhance the travel experience from beginning to end. The new planes will offer in-flight entertainment, Wi-Fi access for passengers. It

will also facilitate opportunities to service new gateways. Ultimately, the modernisation of Cayman Airways fleet will position the airlines as the leader, with the newest fleet in the region. The range that we now have on our 737 300s is Dallas. We will now be able to look at some of the cities I mentioned earlier in our core market, which is the United States and Canada.

From an operational perspective, Madam Speaker, the benefit of the modernisation includes these planes that are brand new. The fleet will be more fuel efficient, allowing for longer distance, increased passenger capacity. The Boeing 737 MAX offers 8 per cent lower operating costs, increases fuel efficiency by 18 per cent.

The tourism benefits would be an updated, modern fleet, which will enhance the travel experience for not only us Caymanians, but also the visitors whom we look forward to welcoming—increased efficiency for local visitors, increased seat capacity, more route options, improved in-flight experience, investment supports, increase in room stock, increased benefits for the economy through increased visitation, increase in visitation, boosting tourism growth, helps to sustain the future of tourism in Cayman as a premier destination and better connectivity to the world.

Madam Speaker, this one, I think, is one that we should not miss at all, that as we have put ourselves in a position to grow our tourism industry by 20 per cent because of new room stock, means that we have to have more airlift service to balance and fill those rooms. Cayman Airways has approximately 450 Caymanians working for that airline. We have the opportunity to grow that airline, which would empower more jobs. And this goes from the CEO, who as we know is a Caymanian, to the VP, all the way down. So the jobs are not low-level jobs. They are all the way through. But it would be remiss of us if we did not take the opportunity to improve our airlift through Cayman Airways and provide more jobs and more opportunities to grow the economy of Cayman for the Caymanian people themselves.

Make no mistake, Madam Speaker, airlift will come. And once there are rooms to be filled, more airlift will come. But that airlift will not provide the same number of jobs that growing Cayman Airways will, without any additional expense to Government—no government guarantee. It will be done through central tenders, through all of the best practice ways to accommodate the four new planes.

Madam Speaker, I want to talk about the shoulder season and some of the niches that we chase and follow as opportunity. Our growing markets that we're talking about have established ourselves as a leisure destination. And the Ministry of Tourism is seizing the opportunities to boost arrivals by developing the niches. This includes providing support to grow areas such as meetings, incentives, weddings, honeymoons, which already occur on a fairly consistent basis. It also includes laying the foundation to facilitate

development of other niche areas such as festivals and sports tourism.

By way of example, the annual Cayman International Film Festival, or CayFilm, which debuted in 2015, is an annual multi-day event that has been designed to showcase the Cayman Islands as a world-class filming destination. As well as the customary screenings and gala celebrity event, CayFilm incorporates workshops, panel discussions, and question-and-answer sessions with filmmakers, which connects with the audience on a much deeper level. Showcasing the Cayman Islands as a movie destination is part of the overarching marketing strategy to heighten awareness of the Cayman Islands brand. Movie production in a Caribbean destination is a fast-growing and lucrative niche market that could potentially attract millions of dollars and serve as a catalyst for temporary employment.

Even small-budget films typically spend upwards of \$1 million on location and must, by necessity, hire locals and rent accommodations and transportation throughout the duration of the project. Madam Speaker, the knock-on effect would also spill into the number of other associated areas such as catering, props, et cetera. As well as supporting the development of CayFilm for obvious benefits it can provide, it is hoped that by opening up our Islands to the film industry, Cayman's young and aspiring filmmakers and audio technical individuals would also have the opportunity to practice their craft here at home, rather than being forced to seek opportunities outside of our borders.

Madam Speaker, I take this opportunity to recognise the Councillor for Tourism because, quite honestly, this has been his initiative. And if it had not been for the hard work that he has put into this over the last year-and-a-half, it would not be the success and show the potential that it now does. So I think, Councillor Hew knows how much work he's put into it, and he should be recognised for it.

Madam Speaker, sports tourism is another example of a niche market area that serves as a seamless addition to our Island's tourism product. It fits well within typically slower travel months of May, June, September and parts of November. And it also is a key element in Government's multi-level strategy to build traffic in the shoulder season and eliminate the peaks and valleys of high/low season by keeping a steady flow of visitors.

Madam Speaker, I have to tell you that the Minister for Sports has this speech down perfect, that when they come and look at different events, he explains to them when it's good for them to do it and when it's not good for them to do it. So we enjoy a very close working relationship in developing sports tourism. And I have to say that we have enjoyed doing it, and we have certainly had great success with it.

The events that fall under this category include the recently held Cayman Invitational Track

Meet. With your permission, Madam Speaker, I just want to table an advertisement that was unsolicited by us. But to just start to give you a snapshot of what sports tourism actually does for the Cayman Islands.

The Speaker: So ordered.

[Inaudible interjection]

Hon. Moses I. Kirkconnell, Deputy Premier: You don't know anything about this.

So, Madam Speaker, this is *NBC Sports, NBC Sports*. It has a picture of Usain Bolt on it. Usain Bolt called his first race since August 29 *rusty*, 100-metre win at 10.5 at the Cayman Invitational on Saturday night.

Now, Madam Speaker, NBC, global recognition, the value of this is something that we continue to drive. But, Madam Speaker, I want to table one more thing because sometimes these things don't really get understood.

[Inaudible interjection]

Hon. Moses I. Kirkconnell, Deputy Premier: This, Madam Speaker, is from the *Manchester Evening News* in the UK. It says, "**National champions Manchester City sweep the board of individual honours after triumphing in the Caribbean. Manchester City's all-conquering under-15s team have added more silverware to their collection by winning the Cayman Invitational Youth Cup. John Mullin's team won the national title this season . . .**"

And, Madam Speaker, it talks about who they beat, all the US teams and the enjoyment that they had in Cayman. And again, the worth of what this is to our sports tourism product and what this means . . . But I wanted to do those in tandem because of the overreaching and overarching part of this is that when you think of, on the same weekend, you had Usain Bolt and you had Manchester City. So you're a financial person, and you're looking at the newspaper in Geneva, London, New York. And you're looking at anyplace in the world that you can go and you see in that sports section, Usain Bolt is in Cayman, Manchester City is in Cayman. It makes you understand that when you holistically put out as much information and reach a certain target, it makes them say, *If those kind of globally known people and brands are in Cayman, I also want to go there*. So, the coordination—
[Inaudible interjection]

The Speaker: Order! Order!

Hon. Moses I. Kirkconnell, Deputy Premier: The coordination and the effort between the Minister of—

Hon. W. McKeeva Bush, Leader of the Opposition: When we were doing it they were cursing us.

[Inaudible interjection]

Hon. W. McKeeva Bush, Leader of the Opposition: When we were doing it they were cursing us. That's all about that. I don't know where you're gonna get the most people if you and Ozzie are up in Cayman Brac with Usain Bolt.

Hon. Moses I. Kirkconnell, Deputy Premier: Madam Speaker, we also talked about another regional football tournament that happens in three weeks, the NORCECA Volleyball Tournament.

The Speaker: Minister, are you also going to table the Usain question as to what's one plus two, because you could do it at the same time?

Hon. Moses I. Kirkconnell, Deputy Premier: I wish I had it, Madam Speaker; I would. But I think that's what you were . . . Maybe I can get the Minister of Sports, when he speaks, to table that at that time, Madam Speaker. I think that's a very good idea.

That was an event we were having in Cayman Brac, Madam Speaker, where we invited all of the schoolchildren of the Island to meet Usain at the airport. And a little man, I call him, because he's certainly not a little boy—he's five years old; he speaks like most people in this House. And he came up, and he took the microphone, and he looked at him. And he said, *Mr Usain Bolt, do you know what one plus two is?* And the whole place just erupted, including Usain Bolt. And it took a little while for him to answer. So I think it went viral. It had almost 400,000 hits—

[Inaudible interjection]

Hon. Moses I. Kirkconnell, Deputy Premier: There were 337,000 hits. So again, this is the type of opportunity that happens that we're very happy about, a growing niche market.

[Inaudible interjection]

Hon. Moses I. Kirkconnell, Deputy Premier: I'm so happy that the Leader of the Opposition is pleased that we did that.

Hon. W. McKeeva Bush, Leader of the Opposition: Of course, I am. But we did it before you and you were cursing us; that's all I'm trying to tell you.

Hon. Moses I. Kirkconnell, Deputy Premier: Madam Speaker, we also recognised Carnival Pirates Week, the different areas that bring in our shoulders and help to build arrivals.

Madam Speaker, from the economic perspective, influx of visitors provides intermediate revenue to service providers, and it is widely dispersed within the tourism and hospitality sectors.

Madam Speaker, still on the subject of driving visitation, I turn our attention to our Island's number-one land-based attraction, which is in West Bay. It is the Cayman Turtle Farm. As Members of this Honourable House would be aware, the Turtle Farm is principally engaged in various aspects surrounding the conservation and research of sea turtles, captive breeding and farming of green sea turtles to supply the local market with turtle meat products. It also provides a high-quality land-based visitor attraction featuring sea turtles and other island wildlife. As part of the attraction and earned revenue, the company also operates restaurant and gifts shops on site.

Madam Speaker, Members of this honourable House are aware that the company operates in North West Point in close proximity to several other visitor attractions, such as the dolphin aquarium, a motor museum, rum cake outlet, Hell, a couple of other restaurants, Cracked Conch, and several popular dive operations and shore diving. Simply said, Madam Speaker, this is the anchor for the West Bay area. What would happen if it was not there?

The Budget for 2016/17 includes line item E-149 for the operation of Cayman Turtle Farm, trading as Island Wildlife Encounter. It is for \$12.7 million over the 18-month period. And, Madam Speaker, to preface the discussion on the company's budget, I should mention that for the first time in a great many years, the company's financial statements for the year ended 30th of June 2015 received an unqualified audit issued jointly by KPMG and the Office of the Auditor General.

The company's board and management are to be congratulated for a job well done in the governance of this government-owned company.

Madam Speaker, the Turtle Farm's budget is in keeping with fulfilment of the strategic policy statement for 2015/17 and aligns in several respects, for example, conservation of our biological diversity and ecologically sustainable development. Madam Speaker, the Turtle Farm greatly contributes to the conservation of sea turtles in the wild around the Cayman Islands, as well as sustaining the local culinary traditions. I am most sure that all Members of this House have dined on turtle meat, as its consumption has been a part of Caymanian history and culture for generations. By making a stock of green turtle meat derived from self-sustaining closed-cycle farming available for consumption, the Turtle Farm is significantly reducing the poaching of turtles from the wild.

Madam Speaker, the undeniable evidence of that has now been presented in a recently published *Darwin plus* funded research project overseen by the Department of Environment. This study on the socio-economics of turtle meat production revealed that the farm, and more specifically its production and sale of

turtle meat, is a major and vital factor in sustaining sea turtle populations around the Cayman Islands.

Madam Speaker, the Turtle Farm now operates as a tourist attraction and a wildlife park. And it is the sole provider of turtle meat for consumption. The vision for the longer term is to expand its operations through the creation of a new entity that would focus on education and research and would be funded as a charitable not-for-profit private entity. This would permit the sourcing of grants and donations to help fund the various research, conservation and education initiatives pertaining to various species of sea turtles, not just green sea turtles.

Madam Speaker, this vision has come as a result of the board and management in collaboration with a scientist from North America, who realised that there were so many opportunities that existed to expand the Turtle Farm's impact in the field of sea turtle research, conservation and education. The Turtle Farm is committing to continue participation in research on sea turtles in-house and in collaboration with overseas researchers, and to continue hosting students and graduates from local and overseas schools, educating them on sea turtles and other Island wildlife.

Madam Speaker, the Turtle Farm every year has had a reduction in its equity injection. In the year 2012/13 it had a reduction of C1\$800,000, US\$1 million; 2014, \$500,000; 2015, \$500,000; and this year a reduction. On an annualised basis, this year the Turtle Farm will receive \$8,700,000. Last year it received . . . Sorry, Madam Speaker. This year it will receive \$9 million. Last year it received . . . Madam Speaker, this year it will receive \$8,745,000. Last year it received \$9 million. But the point I want to make here is there is a sovereign debt that is attached to this funding. And the sovereign debt is 69 per cent of that funding. So, \$5,841,000 of this goes to pay off a debt for this entity, for this anchor, for this tourism product, for this number-one tourism attraction in the Cayman Islands. A full \$2,600,000 goes for operation. Every time you see a taxi, a tour bus, a rental car, a family that is heading to West Bay, 70 per cent of them are going to go to the Turtle Farm.

So, if we tear this apart from what the value is to the tourism product, I think that we would be very safe in saying that we are reducing the operational cost of the Turtle Farm. We are looking ahead with a vision to expand on its research and the opportunity for global recognition for not only the green turtle, but Kemp's Ridley and others. And we are providing a much-needed tourism attraction, because that is what we are in, the tourism business.

Madam Speaker, the vision of looking at how we grow this school, so to speak, or this research centre, ties in with the actual repayment of the major debt will be in three years. So we have some opportunity there, as we look forward to that.

Madam Speaker, the Cayman Islands Port Authority has, as I mentioned earlier, increased its income from the arrival of cruise passengers. In 2015 it was \$2 million. It was mentioned that it was underperforming by \$2.2 million. And I just wanted to have a quick statement to that. The Honourable Minister of Finance is correct that it is underperforming. But it's underperforming that its surplus net profit in June 2016 will be \$700,000. It was on track to have a net profit of \$4,700,000. But the reason for the underperformance is that the projected actual surplus for June 30, 2016, of \$4,700,000 was reduced by the estimated defined benefit for post-employment health care of \$4 million; hence the reduced surplus of \$700,000. The numbers for the year forecast actual were extrapolated back in March 31st, 2016, actual financial statements.

That, Madam Speaker, is something all of the statutory bodies are going to have to recognise and face. But the Port Authority itself is healthy. It is showing a profit. And the mere fact that it could put \$4 million aside into the defined benefit, I think, is positive news for all of the work that takes place there and all the employees who work.

I just want to touch briefly on the new Port Director, Madam Speaker. He's a young Caymanian, Clement Reid. He took over the role in November last year. I think if you've had a chance to walk around there and take a look, Clement is doing a good job. He holds a Bachelor of Science Degree in Civil Engineering. He has 10 years' experience, and he was an existing employee at the Port Authority. He was promoted in 2001 to Assistant Port Director, to Deputy Director and subsequently to his current position. By rising through the ranks, Mr. Reid has become well versed in the Port's operations. And his appointment virtually created a seamless transition at the Port itself. We are very pleased with another young Caymanian taking up that post.

The Tourism Attraction Board, Madam Speaker, has moved its offices from a rented site to the Pedro St. James accommodation. In an effort to grow business, Pedro St. James has added a new cruise line tours, and expressions of interest have been requested for a lease on the onsite café. It is anticipated the lease should be signed in the next week to commence operations 1st of October 2016. A strategic marketing plan covering initiatives for Pedro St. James and the Queen Elizabeth II Royal Botanic Park has been completed and accepted by the board. The remaining tourism attraction entities are to be added to the strategic marketing plan, completed 30th of July 2016.

Madam Speaker, the growth of Pedro St. James and the Botanic Park will show an increase of tourists in the Eastern District. And we continue to work to build that relationship with the cruise lines and with the hotels to push them into some of our attrac-

tions that are absolutely fabulous in the Eastern Districts.

Turning our attention to the National Weather Department, Madam Speaker, I would like to provide a brief update. The Members of this House will be pleased to note the succession planning and training and upward mobility of Caymanians are important areas being addressed during this fiscal period. Mid-level technical training will be provided for existing technicians, future promotion to mid-level technician position. Once trained, technicians will be able to take on more responsibility, enabling another staff member to become better trained.

The Speaker: Honourable Minister, you have 14 minutes remaining.

Hon. Moses I. Kirkconnell, Deputy Premier: Fourteen? I've got to get some time from somebody.

At the completion of her studies, the administrative manager is currently receiving training from the University of Portsmouth to assist supporting HR function. At the completion, in addition to enhancing the services provided, the HR manager will also be able to support the Ministry HR function. Two members of staff are currently pursuing masters', one being director of the qualifications requirement for the post, and the course will be completed at the end of 2017, Madam Speaker.

Madam Speaker, I can't leave here today without talking about Cayman Brac and Little Cayman.

[Inaudible interjection]

Hon. Moses I. Kirkconnell, Deputy Premier: Talking more about them.

Turning our focus now, Madam Speaker, to the sister islands, Cayman Brac and Little Cayman are in the early stages of their development life cycles, compared to Grand Cayman. Government has remained mindful that extra stimulus is required to create a sustainable economy, and we are addressing the deficiencies and taking advantage of the opportunities. We pledge to bring more opportunity to the sister islands, and we are delivering, Madam Speaker.

To help grow the economy of Cayman Brac and Little Cayman, Government has focused its attention on attracting more visitors to the Island, upgrading and expanding Charles Kirkconnell International Airport, introducing direct international flights to the United States and Cuba, facilitating back-office jobs in the public and private sector. Madam Speaker, as you well know, an example of this is the Cayman Airways ticket counter and the redundancy that is there. If Grand Cayman needs it, and the overflow goes there—a very good addition. I think it's an example of what other companies can look at and what they can do, tremendous labour pool there available for back-office work like this.

Perhaps the most visible recent change to take place in Cayman Brac is the introduction of the Saab 340B+ aircraft. Madam Speaker, the larger aircraft increased the number of seats into the sister islands, and as a result, the passenger arrivals have increased by over 20 per cent. Boosting inter-island and international travel to and from Cayman Brac is having a direct economic impact, but that's not the only thing we've done. We've also created more jobs: jobs in the Fire Service, jobs in the Tourism industry, jobs in District Administration, jobs at Cayman Airways, jobs at the airport, Cayman Islands Airports Authority, more Customs officers, more Immigration officers and more security—all needed because of taking advantage of an airport that wasn't being used and could provide international flights into Cuba by Cayman Airways, which, in transferring 110 people on a weekly basis through their means, we need all of the accommodating services that they require.

Madam Speaker, as the economy strengthened, visitor arrivals increased. Hotels expanded in response. As we saw with the Brac Resort, which recently upgraded its accommodations and added a new free-form pool, multi-level food and beverage area, also, Madam Speaker, Le Soleil d'Or added a boutique hotel to its cottage accommodations. And we trust that the success of our policies, particularly with respect to the increase in tourism, will encourage small business development and investment in infrastructure to support tourism's growth.

Madam Speaker, as well as facilitating growth in tourism, Government has also been focused on stimulating growth in the private sector through the provision of incentives to investors. The Premier spoke about an initiative that's being looked at for high-net-worth individuals. Cayman Brac might not have the necessary social infrastructure to support big business, but it is well suited as a location for the provision of back-office support services. It is envisioned that these could include back-office support for HR, accounting, administrative or IT functions to businesses established either in Grand Cayman or farther afield. Government is therefore in the process of finalising the details and criteria for the provision of a certificate of direct investment to eligible applicants, in addition to successfully creating jobs in the tourism and hospitality industry. Attracting specific types of investment to Cayman Brac will lead to the creation of administrative jobs and expand the employment pool, Madam Speaker.

Madam Speaker, a barometer for what has actually taken place is the amount of cargo that comes into your Island. Manifestation of growth is that in 2013, from Grand Cayman, which is the hub for cargo into Cayman Brac and Little Cayman, 1,505 twenty-foot containers arrived. In 2014, an increase of 15 per cent, 1,736 twenty-foot containers arrived. And in 2015, the increase was to 1,862 twenty-foot containers that arrived, an increase of 7 per cent. So,

Madam Speaker, with the 20 per cent increase in air arrivals and 15 per cent, 7 per cent increase, which would be about a 22 per cent cumulative increase, we can see that the numbers provide that Cayman Brac and Little Cayman are growing. Maybe we would like it to grow faster, Madam Speaker, but we have to continue with the initiatives that we're putting in place for that foundation.

Madam Speaker, the District Administration budget allocation for 2016, on a yearly basis, to be able to compare it to 2015, is \$8,406,000. In 2015, it was \$8,110,000. That's an increase of 4 per cent. And I'm pleased to repeat the Premier's announcement that the civil servants (which quite a few jobs in Cayman Brac are civil servants) will receive a 2.2 per cent gratuity to recognise their contribution over the last budget year, in the June pay period. An example is, Madam Speaker, somebody earning \$30,000 will receive \$660 extra in their June pay.

[Inaudible interjection]

Hon. Moses I. Kirkconnell, Deputy Premier: Thirty thousand dollars a year.

With respect to the budget allocation for district admin, once again, through careful management, in other areas of the budget, DAT 2 and DAT 3 remain strong, and all core Government initiatives have been protected. Specifically, these: passport and travel documents processing at the Government Building in Cayman Brac; registration applications for corporate and vital information; organising official visits; development, implement and support tourism and business initiatives; vehicle and miscellaneous inspection; child day care and preschool; customs and immigration; treasury services; sporting, coaching, community sport programmes—

The Speaker: Minister, you have five minutes remaining.

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

Disaster management preparedness and response; construction and maintenance of public facilities and infrastructure; collection, preservation and display of material evidence significant to our culture, history and heritage; collection of documentation for preservation of material; providing exhibitions and displays, general public access to them and the museum facility; preservation of our historical sites.

Madam Speaker, I think that gives great comfort that how we continue to work at Public Works and District Administration have all been funded and protected. The Ministry, this Administration, will continue to work on the interior of the Multi-Purpose Hall in the Bluff. The interior of the building has now been rendered and primed. The next step in the design, the hall is to meet the multi-purpose function for the Cay-

man Brac community, which will include the future transition to a school hall. To oversee this process, the steering group has been formed, which consists of both the Ministry of District Administration and the Ministry of Education staff. The contract has been awarded to DDL Studio in order to provide design modification and project management.

The Ministry of Education, combined with the Ministry of DATT, will also embark on producing an outline business case to analyse the merger of Cayman Brac schools, take the opportunity to see how the Bluff Multi-Purpose Hall can fit into that.

Madam Speaker, sports programmes in the sister islands. All over the world, we know that participation in sports is a great unifier and popular recreational activity. It holds true in the sister islands, which have 300 active participants in Cayman Brac and 65 in Little Cayman. Therefore, we are pleased that Cayman Brac playing field project will continue with the construction of a 25-metre pool, which will be able to facilitate local and international meets. Investment to upgrade the playing field provides benefit across the community and supports a number of sports programmes.

A day care football programme, a grass roots football programme, a youth football programme, a men's football programme, Little Cayman Community Programme (300 active participants); Learn to Swim After School Programme, junior basketball programme, volleyball, Brac Athletic Club Programme for track and field, weight training, tennis programme, talent development, and let us not lose sight of the young people that this has helped in many ways.

Today we have Thomas Jackson-Dilbert, who was scouted by a Dutch football scout and was recruited and spent three weeks in Holland with professional football teams in try-outs. Ronaldo Morrison and Michael Martin [PHONETIC] are conducting trials with the Cayman Islands Under-20 Football Team, and people who have come through Mitchum Sanford's football programme, Brian Martin, Steven Tatum, Shayle O'Connor, Kerry Anthony [PHONETIC], Ronaldo Morrison, Ronald Morris [PHONETIC], Michael Sanford, have all played for the National Team.

Madam Speaker, the Marine Police Unit, which was set up at the close of 2014, combined with the agencies in the sister islands in a help to deter criminal activity and prove the safety and security through an extended presence of the Joint Marine Unit in a base operation in Cayman Brac. Primary purpose is to provide search and rescue, maritime security and border protection operations, specifically for the sister islands.

Madam Speaker, the Joint Marine Unit detachment, as it has been designated, consists of dedicated patrol vessel, a team of officers from Immigration, Customs and the RCIP and the Department of Environment. The presence of the Joint Marine Unit in Cayman Brac enhances the border protection and

search and rescue capabilities of the sister islands and is an important part of coordinating and mitigating other risks and threats in addition to form protection for our citizens.

Madam Speaker, the Affordable Housing Programme. It has two houses now in progress, and the ground is being prepared to break ground on two other ones in this new Budget.

Madam Speaker, I think I'm getting close to my time. Is it possible to get an extra five minutes?

Hon. W. McKeever Bush, Leader of the Opposition: Madam Speaker, I would—

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

Hon. W. McKeever Bush, Leader of the Opposition: I would move—

The Speaker: After I answer.
Are you going to—

Hon. W. McKeever Bush, Leader of the Opposition: I was going to move for the suspension of Standing Orders so that the Member could finish his speech.

The Speaker: Honourable Premier. Do you wish to change the Standing Orders to allow extra time? The Chair has the discretion to allow the Member to continue his thought within a reasonable amount of time. If you have more than five minutes . . . Please proceed.

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

Madam Speaker, as you know, the demand for well-built affordable homes is growing. And I know you are, as I am, very pleased, through the management of public funds, for us to continue with this programme. As well as meeting the very real need for moderate-income housing, these are life-changing homes for the citizens who get them, and the pride in the community that they have on both areas of Cayman Brac where they have been built. I think we all want this programme to continue and succeed, and it has had great success.

Madam Speaker, Faith Hospital continues to function at an extremely high level. It has had many upgrades during the year. One of the most notable is the now interaction between the helicopter team and the collaboration between the Royal Cayman Islands Police. The helicopter has made three or four evacuations, air-vacs, out of there. But now there is a dedicated helicopter pad on the back area of Faith Hospital. The pad has been prepared, and it was used successfully on the 28th of May.

In this Budget, Madam Speaker, there is also a new ambulance provided for Cayman Brac, and

there is also a new building to be built there to provide storage. Madam Speaker, we also have a 26-foot Jupiter Customs boat that is due to arrive in the next 30 days. And our Customs dog, enforcement dog, is about six months late. So we have to find out what happened to the dog in the training programme.

Public Works has some much-needed new equipment, which is desperately needed, coming. And the continuation of pipe water, a great success for the Island itself, as it continues to move easterly up the Island. They were hoping to get to the hospital by the end of June, but that won't happen. But I think they're pretty much by the Banksville area now. So I'm showing a great, great project.

Madam Speaker, the situation in Little Cayman is also encouraging. The infrastructure enhancement continues. The road resurfacing also on the North Coast, and the dock on the north side of Little Cayman that was spoken about earlier, was completed, but there has to be an addition onto it this year. And this, Madam Speaker, is basically the only public dock in a 10-mile radius that allows people to use it and, whether it can be used because of being able to get into the channel, if there is some type of need to take a sick or injured person off a vessel. So it has many functions, and we're quite happy to have that.

The first sports programme took place in Little Cayman. And we see a very stable number of guests coming to Little Cayman, and, of course, a major announcement coming out today about the Dart purchase of the Ken Hall property. The Homer Pierre [PHONETIC] programme will continue. And this is the Homer Pierre's for Senior Citizens, and that's in the Budget, a very good programme that allows the senior citizens to stay in their homes.

The Little Cayman Sports hosted its first awards banquet April 2016, and Little Cayman now has active sporting programmes in basketball, volleyball and football.

Madam Speaker, the Minister of Planning and I, met with the group from 10 Island Renewable Challenge. The 10 Island Renewable Challenge group has a mandate to accelerate the transition of Caribbean Island economies from heavy dependence on fossil fuels to renewable sources. It is in line with what the Government's brought out—come to develop a strategic plan to diversify the sources of energy. Consequently, Madam Speaker, from January this year, there has been dialogue between themselves and the two Ministries. We met when they were here in May for the CARILEC conference, a very good meeting. And we looked at regulatory environment for electricity, private sector companies involved in power generation, ongoing renewable energy initiatives for the Cayman Islands and ability to promote Cayman Islands as transitioning to using renewable energy. We are now waiting on next steps from them to continue the discussion, but very valuable.

Madam Speaker, scorecard with respect to the promises Government has kept—the sister islands is an impressive one. We pledged to create local jobs through tourism development. We are working on creating the back-office jobs through legislation and development. Complete the sports complex on the Bluff, improve inter-island air service, continue the building of the boat dock in Little Cayman, and continue to pipe water throughout the communities. Air arrivals are an indicator; they are up; cargo is up.

Madam Speaker, there are many accolades and awards that have been given to the Cayman Islands, and I will not read the three pages of them that I have here. Just to say that we are extremely well recognised, and many awards have been given to the dive industry and the stay over industry and the cruise industry because of the destination of the Cayman Islands.

Outside the financial services industry, tourism is the number-one service that we export. Consequently, we must be committed to ensuring that every visitor to our Islands, whether for business or leisure, sport or conferencing, leaves with a positive, lasting impression and firm plans to return.

Madam Speaker, from the outset of this Administration, we have taken the approach that our growth and development must be inwardly driven. By unearthing our people's spirit of entrepreneurship, talents and capabilities, ultimately, everything that we do must give our youth hope and confidence of an even brighter future when they inherit this country. I see a bright light. Madam Speaker, despite the tremendous gains, there is still much work to be done, more challenges ahead, more strategies to be articulated, more issues to confront, more targets to be achieved, and more citizens to benefit.

To do all this, we have a government that represents all the interests in our country. The elected Government is not afraid of hard work. And a population that expects best practice from its government, no one can doubt the resolve of this Government to grasp the difficult issues of the day. Many are complex matters, and decisions are never easy. During this past year, we have never been fearful of the size of the challenge, nor have we shirked our responsibilities to the people of the Cayman Islands. We did not seek an easy way out, and we did not skimp on our efforts, Madam Speaker. We have met the challenges head-on, and we have delivered.

The Cayman Islands is stronger today than it has been in years, and we are achieving the goals that will benefit our people for generations to come. Madam Speaker, I take this opportunity to thank all Ministers and all Councillors for their hard work with the Government. It would be remiss of me not to offer a word of thanks to my Chief Officer, the Director of Tourism and hard work of staff, District Administration, Tourism, Transport, as well as our industry partners in the private sector that we have worked closely with

over these past years. I also wish to commend the civil servants whom we work with, the Deputy Governor's team and members of the various government boards, and private citizens who have supported the Ministry and freely given their time for benefit in this country.

We close, Madam Speaker, by thanking the Premier for his leadership and hard work. Thank you, Madam Speaker.

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

If not, I'll call on the Honourable Minister of Finance to wind up.

[Pause]

The Speaker: I recognise the Honourable Fifth Elected Member for the District of George Town.

And at this time, we'll take a short afternoon break.

Proceedings suspended at 5:30 pm

Proceedings resumed at 6:23 pm

The Speaker: Please be seated.

I recognise the Honourable Fifth Elected Member for the district of George Town.

Mr. Winston C. Connolly, Jr., Fifth Elected Member for George Town: Thank you, Madam Speaker.

I rise to speak on the Throne Speech, the Budget Policy Statement and Budget Address. Madam Speaker, we do have to congratulate the Government for doing what it has done over the last three years. The fact that we are FFR compliant, the fact that we have an approved budget, those are all things that should be lauded. So I congratulate them. But, Madam Speaker, when we look at some of these numbers, and where money is being spent, there are some questions.

Madam Speaker, when you are in Government I think it is good sometimes to take some health checks and go back to the people because things change after the campaign, and statements made in the heat of battle sometimes should stay on the battleground, and then you recalibrate once you find the actual situation.

When we look over the past several years we understand that the Caymanian population has grown faster than the economy on average. That makes us then question sustainability. And although previous speakers have said that the credit will not be taken for things that were not done in this Administration, if we look back at strategic policy statements and other documents over this last year, including statements by the Governor, the Honourable Minister of Finance,

supported by the Premier, we see that there are four temporary factors driving economic activity and, therefore, growth. Health City, the Kimpton and the Dart investments, and we have heard all of them from previous speakers, and also to a certain degree, the Cayman Economic City, CEC.

Madam Speaker, none of those things were started in this Administration. And none of them can be sustained without a growing population, Madam Speaker. And, Madam Speaker, that is where I want to focus my debate, because when we look at the economic stimulus measures that we see on page 18 of the Statement by the Minister of Finance, we are continuing to follow economic stimulus measures which, he says, "**are designed to support economic growth and lower the cost of doing business and living here in the Cayman Islands.**" And I will just go through those five, Madam Speaker:

1. "**Reduced import duty on diesel fuel used by CUC to generate electricity;**
2. "**Reduced import duty for licensed traders and**
3. "**Reduced import duty on building materials;**
4. "**Reduced trade and business licence fees for new licences; and**
5. "**Continuation of current incentives for Cayman Brac and Little Cayman.**"

Now, Madam Speaker, all of these things have resulted in some savings, but not necessarily for the average Caymanian, at least not in any meaningful way. Madam Speaker, I dare say that without some measures to really grow the economy and a plan (and I will come back to that word later), investors will not continue to invest in huge developments in the Cayman Islands. Why would they, if we do not have enough people to fill their buildings? I hear the George Town Revitalisation touted over and over, Madam Speaker. And that is very important for me as a George Town representative. I see almost \$7 million in the budget for this. And I am happy to see it; except for I haven't seen *it*, meaning the revitalisation. I have seen some activity connecting some roads, and I have seen some activity on the waterfront putting up some cover for the fishermen and a nice new sidewalk, which was the initiative of the private sector, Madam Speaker. But there are very few companies left in central George Town. And when we look again at what we are building, what is the overall plan for central George Town? One of the draws that we have in this area is the court house. It is probably one of the only draws to this area any more. Where is the urban planning, the business case, all of those things that would move that anchor outside of town?

Madam Speaker, let's explore the GDP [Gross Domestic Product] growth: When we peel back

the numbers, it is actually slightly negative. Madam Speaker, I think as a country we need to start thinking about GDP per capita as a better indicator. We have issues, we know, with collecting information because we do not have readily available figures that other jurisdictions would have. But I would say, Madam Speaker, that much of that GDP stated is irrelevant because it inures to overseas shareholders. If we took out CEC, Health City and the Kimpton out of GDP growth, we would actually be in a recession. And those things are three to five years in the making. So if you look forward through to five years, Madam Speaker, and you ask what will take their place, we hear a lot about the investments that are coming, but we have heard about them for over three years. Will we be left with a huge hole in the economy if some of them do not come to fruition?

Madam Speaker, I am sure CEC, Dart; let's use the Kimpton—all of those organisations have done detailed economic impact studies and could tell you how much they have contributed to the Cayman Islands economy. I am just going back to GDP, Madam Speaker, and why GDP per capita is considered a better guide to living standards than GDP itself. If we look at the last three years, there has actually been a decline in GDP per capita, if you are using the entire population, rather than per Caymanian. So we have to be careful when we are looking at statistics because they can tell us anything we really want them to tell us.

Madam Speaker, again, if you focus on those projects that I spoke about earlier, my rough estimate is that they have to account for at least \$250 million in economic activity. And that is significant, Madam Speaker, because that is about 9 per cent of GDP. And again, just to highlight that point, without those developments we would actually be in dire economic straits.

Madam Speaker, Nobel Laureate, Paul Krugman often refers to something he has termed the confidence fairy. According to legend the confidence fairy visits countries in the night spreading goodwill and economic activity and investment. The great thing about the confidence fairy is that skilful politicians all over the world appear to be able to summon it at will to cure all manner of ills or otherwise take a blame for them. Well, Madam Speaker, I am delighted to see that the confidence fairy appears to have been busy working its magic here in the Cayman Islands.

Sadly, Madam Speaker, not every economist believes in the confidence fairy. There are some sceptics that believe governments should rely on strategic policies instead of magical thinking. So, Madam Speaker, in case there are any such sceptics in this House or among the public listening to this debate at home, I would like to ask the Honourable Premier or the Minister of Finance to point to any specific evidence of increased investor confidence. Is there some survey of investors that suggests they have confi-

dence in the things this Administration has brought forward? Or is this an example of circular political logic, whereby they believe the economy has grown because of increased investor confidence and believe there is an increased investor confidence because of a growing economy. Madam Speaker, I will go into some of that investor confidence a bit later.

I go back to GDP again, Madam Speaker. I have taken some time to speak to some economists in preparing for this contribution to this debate. Some will tell you that what matters is not the total amount of economic activity in a country, but the economic activity per person. That is why I touched on that per capita GDP before. If the population is growing faster than the economy, while it may be true that the economy overall is growing, on a per person basis, the economy is actually shrinking and the people of the country are correspondingly worse off.

Madam Speaker, the Government's own data reveal that that is, in fact, the case here in the Cayman Islands. While GDP growth in the last three years has averaged 1.9 per cent, the average population growth has been more than 4 per cent. This means that the economy on a per capita basis has actually contracted each year and every year of this Administration by more than 2 per cent. This, of course, Madam Speaker, is not an argument against population growth because I, for one, believe that should be part of that plan I spoke about (and I am going to keep using that word "plan"), but it is an argument against anaemic economic growth.

I do not know if the Minister of Finance would acknowledge that GDP per capita is a superior measure of economic performance or whether or not he would acknowledge that the population has grown more quickly than the economy. But, again, the Premier used incontrovertible facts. I guess the rhetorical question to ask is whether in the last three years Caymanians are better off, to use laymen's terms, Madam Speaker.

If the answer is that the Caymanian population has not grown as quickly as the overall population, then I would dare say that no economist in the world would exclude non-nationals from the GDP per capita calculation for a country. The Caymanian population grew last year at 2.4 per cent, compared to GDP growth of 2 per cent. In other words, the Caymanian population grew 20 per cent faster than the economy.

Madam Speaker, I am not an economist. But I do talk to them, because I realise when I don't know what I don't know. Some economists, experts who practice daily, think that a better approach to the management of the economy would be to set an annual target for growth in GDP and growth in GDP per capita, and to form a strategy to achieve that target that incentivises inward investment, trade, economic activity, with a priority of local entrepreneurship and

employment in high-quality, well-paying jobs—A *plan*, Madam Speaker.

The Premier stated that people are investing in Cayman again, and alluded to the supposedly strong economic growth. Yet, all of the most significant development projects in recent years began under the previous administration. Conservatively, Madam Speaker, using that \$250 million in economic activity that I spoke about earlier, that would be about 9.6 per cent of our \$2.6 billion GDP. That leaves us in a conundrum. Without these major developments, where would we be? Without a plan that facilitates future development and lots of red tape which gets shorter for investors, who would be taking the blame?

So again, just for the record, Madam Speaker, can the Premier or the Minister of Finance point to any specific private sector development project that has contributed significantly to the economy during this term in office that was not already approved or underway upon taking office in 2013?

[Inaudible interjection]

Mr. Winston C. Connolly, Jr.: But has that started?

[Inaudible interjection]

Mr. Winston C. Connolly, Jr.: The Premier has suggested that the development underway will be good for Caymanians and create Caymanian jobs. And that would be a good thing. But let's look at the types of jobs created by these development projects, Madam Speaker.

Tourism or construction—let me give you some statistics, Madam Speaker, because we like statistics. They are incontrovertible.

Caymanians account for only 30 per cent of the workforce in tourism, about 1,300 out of 4,300 people. And there is 40 per cent of the workforce in construction which is about 1,500 out of 4,000 people. Anecdotal evidence over the years seems to suggest that many Caymanians would prefer to work in other sectors, such as office administration, financial services, rather than tourism or construction. So what evidence does the Premier have to suggest that the jobs created by these projects will be filled by Caymanians? What evidence will point to whether there has been any growth on the part of the economy Caymanians actually want to work and start businesses in? But again, Madam Speaker, that comes back to the *plan*.

When the Premier got up and started talking about Winston Churchill, I was wondering if he was speaking about me. I guess it was my names' sake. The truth is incontrovertible. That's like saying that the sun rose at 5:30 this morning; it doesn't necessarily mean that the PPM Administration deserves the credit for it.

Madam Speaker, the Government has released a very significant number of pages in recent days relating to the budget. I guess it might have been a little sooner, at the \$200 per plate dinner, but it was just glossed over. I would like to draw the public's attention to what I believe is the most relevant section, a little known section that could easily be missed by the uninitiated. It's called the Core Government Financial Statements, which members of the public will find starting on page 342 of the Annual Plan.

The financial statements show the forecast financial information for the current year ending June 30th, the actual figures for the previous year ending June 30th 2015, and the forecast for the coming 18 month period. Madam Speaker, the Government is taking credit for an increase in revenue that many believe has simply come about as a result of policies already in place by the time this Administration took office. In fact, Madam Speaker, the Honourable Finance Minister appears to be trying to have it both ways by repeatedly highlighting that he has cut Government revenue by some \$30 million in the last year, while also taking credit for an increased surplus.

At the same time, according to those financial statements that I referenced, the policies of the Government have led to an increase in operating expense of some \$35 million between the years ended June 2014 and 2015 with a further increase planned in the coming 18 month period. Adding the \$30 million cut in revenue to the \$35 million increase in expenses for the most recent year, simple math tells us, Madam Speaker, that while the PPM has spent the last two days congratulating itself on the operating surplus of \$146 million, that could easily have been \$210 million and allowed them to pay down an additional \$75 million of the national debt.

Madam Speaker, Note 16 to the Core Government Financial Statements on page 364 provides a line by line analysis of government revenue. Given that all of the revenue policies specifically cited in the budget documents, in fact, cuts the revenue, yet the Government insists on claiming credit for the overall increase in revenue. Can the Government point to any specific policy of its administration that has positively impacted any line item in Note 16? Can it provide an analysis of the line items affected by the policies that account for that total surplus of \$146 million? Or is that \$146 million surplus simply a generous gift from that elusive confidence fairy?

Madam Speaker, how do we plan to celebrate the end of the FFR? By going out and spending \$100 million on capital projects, an increase of some \$60 million over the prior year, as well as, once again, increasing spending on government personnel. Madam Speaker, just a few years ago we had lessons laid bare in the Miller/Shaw Report of continually increasing fixed costs in the face of uncertain and unpredictable revenues. Will this Government expose us as a country again to this type of risk? And will we be left

standing naked if the global economic tide goes out unexpectedly?

Madam Speaker, this is about, again, the plan. And what is that plan, Madam Speaker? Is it those things that I read out? Are they economic stimulus packages? If we fail to plan, we plan to fail. We have serious skills gaps in our people. We have heard about plans to increase vocational services. We have heard about ready-to-work programmes. And, Madam Speaker, I will come back to those. We have also heard about plans to revise Immigration laws and policies. We have an opportunity as a country, as a Government, as an Opposition, to really create an era of prosperity, to create opportunities to effect lasting socio-economic, political and cultural reforms. And, Madam Speaker, the problem that we have is that we can't get out of our own way. We can't take on constructive criticism and we can't take on ideas that are not our own. So basically, Madam Speaker, every four years we reinvent the wheel rather than having a plan.

Madam Speaker, like I said before, I will get into what a plan could be, and what it could do, rather than just letting the process be investor driven, Madam Speaker, because that's what we have right now. We have somebody who walks up with a shiny briefcase, a tie and a suit and says, *By the way, I'm going to do something wonderful for your country. I am going to invest here and it's going to be the biggest, boldest brightest thing you have ever seen and you are going to have a lot of trickle-down economics and I am going to make a lot of profit.*

Mr. D. Ezzard Miller: Like the ice-skating rink in George Town.

Mr. Winston C. Connolly, Jr.: *So what are you going to give me? What economic stimulus package are you willing to give me?*

The Government, or some members of the Government, sit in a backroom and say, *Well, what do you want?*

[The investor replies] *I want what the last person got.*

[Government says] *I can't give you that, because it was too good of a deal. But let's start on a declining amount, let's tell you where we can start from and see how this goes.*

The problem with that, Madam Speaker, is that it is the most inefficient way of stimulating growth and projects in a country, because there is no plan. And these deals then take years to negotiate. So by the time you finish negotiating them it's almost the end of your four years but you have been using those projects to say that you are positively impacting GDP—not GDP per capita, but GDP.

Madam Speaker, we know we are not preparing our people to properly take advantage of the opportunities that we are creating. But again, Madam Speaker, without a plan we haven't actually put in

place what those opportunities might be. We haven't taken investors to task and said, *Let's influence behaviour; and let's maximise the government dollar that we are spending*, rather than just giving incentive after incentive, without tying it to actual employment. And I am talking about percentages of employment, actual jobs where Caymanians are qualified to take jobs on each layers of those job opportunities, rather than dictating knowledge transfer, Madam Speaker, and trying to push Caymanian participation by giving a sliding scale of economic benefits, the higher the Caymanian participation the higher the benefit. That's what happens without a plan. Madam Speaker. And this is not something that I am dreaming up, Madam Speaker. When you look at other First World countries and governments, that's how they operate, because the money that they spend they want to touch a certain number of their people with some surety, not a scatter gun approach by saying that if we put in economic stimulus to a project, that it will touch some Caymanians and will get the trickle-down effect, specific *you-will-hire 60 per cent Caymanians, 70 per cent Caymanians, 80 per cent Caymanians, you will look for a Caymanian partner.*

Madam Speaker, until we do that, our people are going to keep missing the boat. That rising tide that is supposed to lift all ships is not lifting Caymanian ships.

Madam Speaker, we have had three years to ensure that our policies reflect some of these things, that our Immigration policies, our NWDA policies, that our Government policies are sharpened and focus on Caymanian prosperity, Madam Speaker. And don't say to me, *Oh well, if you have to hire a Caymanian the deal is going to be done* and they are going to walk away. Madam Speaker, I have been referred to in this House as a naive politician and I might have been born at night, but it wasn't last night, Madam Speaker.

The Speaker: Is it still the intention of the House to work until 7:00?

[Inaudible interjections]

Mr. Winston C. Connolly, Jr.: Madam Speaker, I can finish tomorrow.

The Speaker: I recognise the Honourable Premier for the motion for adjournment.

ADJOURNMENT

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

I beg to move the adjournment of this honourable House until 10:00 am tomorrow.

The Speaker: The question is that this honourable House be adjourned until 10:00 am tomorrow.

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

Ayes.

The Speaker: The Ayes have it.

At 7:13 pm the House stood adjourned until 10:00 am, Thursday, 2 June 2016.

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