



**CAYMAN ISLANDS  
LEGISLATIVE ASSEMBLY**

**OFFICIAL HANSARD REPORT  
ELECTRONIC VERSION**

**2012/13 SESSION**

**8 November 2012**

*Third Sitting of the Second Meeting*

*(pages 313–330)*

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

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PRESENT WERE:

**THE SPEAKER**

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

**MINISTERS OF THE CABINET**

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

**OFFICIAL MEMBERS OF THE CABINET**

Hon Dr Dax Basdeo	Temporary <i>Deputy Governor</i> , ex officio Member responsible for Internal and External Affairs and the Civil Service
Hon Samuel Bulgin, QC, JP	Attorney General, Member responsible for Legal Affairs

**ELECTED MEMBERS**

**GOVERNMENT BACKBENCHERS**

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

**OPPOSITION MEMBERS**

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

**INDEPENDENT MEMBER**

Mr D Ezzard Miller, JP, MLA	Elected Member for North Side
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**OFFICIAL HANSARD REPORT**  
**SECOND MEETING 2012/13 SESSION**  
**THURSDAY**  
**8 NOVEMBER 2012**  
**10.56 AM**  
*Third Sitting*

**The Speaker:** Good morning everyone. I will ask the Honourable Deputy Speaker to say Prayers.

**PRAYERS**

**Hon. Cline A. Glidden, Jr., Third Elected Member for West Bay:** Let us pray.

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

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

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

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

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

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

**The Speaker:** I have no messages or announcements this morning.

**PRESENTATION OF PAPERS  
 AND OF REPORTS**

**Annual Report 30 June 2011 of the Office of the Auditor General Cayman Islands**

**Annual Report 30 June, 2012 of the Office of the Auditor General Cayman Islands**

**The Speaker:** First Elected Member for Cayman Brac and Little Cayman, Chairman of the Public Accounts Committee.

**Mr. Moses I. Kirkconnell, First Elected Member for Cayman Brac and Little Cayman:** Thank you, Madam Speaker.

Madam Speaker, I beg to lay on the Table of this honourable House the Annual Report dated 30<sup>th</sup> June 2011 of the Office of the Auditor General, and the Annual Report dated 30<sup>th</sup> June 2012 of the Office of the Auditor General.

**The Speaker:** So ordered.

Does the Member wish to comment on these reports?

**Mr. Moses I. Kirkconnell:** No, Madam Speaker, they were included in the summary that I tabled yesterday.

**The Speaker:** Thank you.

**Financial Reporting Authority (CAYFIN) Annual Report 2011/12**

**The Speaker:** Honourable Attorney General.

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

Madam Speaker, I seek leave of this House to lay on the Table the Annual report for 2011/12 of the Financial Reporting Authority.

**The Speaker:** So ordered.

Does the honourable Attorney General wish to speak thereon?

**Hon. Samuel W. Bulgin:** Madam Speaker, yes, briefly.

Madam Speaker, as the report points out, it is for the reporting period 2011/12, and it is laid pursuant to section 11 of the Proceeds of Crime Law, 2008, which requires such reporting to be done.

Madam Speaker, the report itself is extremely detailed, and at page 2 it observes, among other

things, that that this year marks the ninth reporting period which has seen an increase in suspicious activity reports over the previous year. It is gratifying, it says, to see that the vigilance of the reporting entities with various financial institutions has not waned.

Madam Speaker, the relevant period shows that some 406 reports have been made, which is an increase over the previous year where there were 353 reports (that is, for the 2010/11 there were 353 reports). But this period that has increased to 406 reports. And, Madam Speaker, at page 10, I think, the report spoke about the revised 40 FATF [Financial Action Task Force] recommendations against which the Cayman Islands and other jurisdictions have been benchmarked for anti-money laundering and combatting financing of terrorism purposes.

Page 18, Madam Speaker, points to the main sources of the suspicious activity reports. For example, we have some 146 reports from banks during this period. We also had 81 from overseas financial intelligence units; trust companies filed 50 reports; company managers filed 38 reports; mutual fund administrators filed 27 reports.

Madam Speaker, allow me also to briefly mention, observe, rather, that there have been some concerns expressed recently at a conference about . . . the concerns have to do with, given the volume of money flowing through our banking system, whether the amount of suspicious activity reports commensurate with that volume of cash flowing through here. Madam Speaker, we know that similar reports or concern have been voiced before about whether, given the nature of the business in the Cayman Islands, the amount of prosecutions that we do here for money laundering purposes and terrorist financing is commensurate with the volume of cash that is moving through our banking system.

I would just like to observe, Madam Speaker, that, firstly, in respect of whether we do enough prosecutions here, it is important to note that the Cayman Islands have a very robust international cooperation regime whereby we cooperate with other jurisdictions in matters such as these. And what that means is that, for example, under the Mutual Legal Assistance Treaty, you might have a request, and the request has to do with an offence that is committed in the United States and all that is in the Cayman Islands is a bank account. And the question is whether we should file criminal prosecutions in the Cayman Islands or we should allow the criminal prosecutions to take place in the United States.

Well, nine out of ten times, it is obviously more convenient for the criminal trial to take place in the United States where you have the defendant, the witnesses, among other things. And all we have here is bank account and documents. And how we would cooperate, Madam Speaker, is that we would forward those documents to the United States (or whichever other country it is that the prosecution is taking place

in), and they would conduct the prosecutions there. If there is a conviction, which invariably there is, we would then get a share of the proceeds under our asset sharing agreement that we have these countries, being the United States, Canada, the UK, and so.

This system has worked extremely well. We have had probably 300 or more requests from the United States under the Legal Assistance Treaty. And in terms of assets we have received almost \$7 million in asset sharing throughout the period. So, the system has worked very well and is far more convenient to operate that way.

Also, Madam Speaker, in respect of the amount of suspicious activity reports that we receive, *vis-à-vis* the amount of money that flows through our system, it is important to also clarify that it is true that there are large volumes of cash flowing through our banking system. But how this works is that the bulk of this money comes from what we call Schedule 3 countries, meaning that these are countries that are recognised in Schedule 3 of our money laundering regulations that have [been] recognised as having equivalent anti-money laundering regime in place, framework, to deal with knowing a customer and those sorts of things. Those countries are recognised by the Cayman Islands as having a robust system. And the monies that come from these countries by what we call an interbank arrangement are monies that come here based on a preclearance arrangement where most of those transactions would have been pre-cleared in those jurisdictions already, given their robust anti-money laundering arrangement.

So, it is true that we have other cash flowing through from corporations and mom-and-pop business and other people walking through the banks. But that is really a small amount of the money that flows through the Cayman Islands. The bulk of it is monies that came through our interbank arrangement with banks in Schedule 3 countries that are already subject to pre-clearing arrangements. The fact is that when the Cayman Islands is compared or stocked up with any other of the Egmont Group countries, in terms of the amount of suspicious activity reports matched against our volume of money that flows through here, the statistics shows that it is quite consistent with what happens in other countries. So, we are not behind in any way. We stock up quite nicely with other countries that have a similar kind of arrangement.

Therefore, I think I just need to clarify for the public that whilst the amount of suspicious activity reported might appear to some to be small, or not commensurate with the amount of cash, when benchmarked against international standards and what is consistent in other parts of the world, we are right up there with the rest of the world, Madam Speaker, in this regard. So, there should be no cause for concern in that regard. I think it was important for me to point that out so that Members can understand what is going on. I thank you.

**The Speaker:** Thank you, Honourable Attorney General.

**Annual Report of Portfolio of Internal and External Affairs for the 2005/6, 2006/07, 2007/08, 2008/09 Financial Years**

**The Speaker:** Honourable Acting Deputy Governor.

**Dr. the Hon. Dax Basdeo, Acting Deputy Governor:** Thank you, Madam Speaker.

I beg to lay on the Table of this honourable House the Annual Reports of the Portfolio of Internal and External Affairs for the years ending 30 June 2006, 30 June 2007, 30 June 2008 and 30 June 2009.

**The Speaker:** So ordered.

Does the Honourable Acting Deputy Governor wish to speak on these reports?

**Dr. the Hon. Dax Basdeo, Acting Deputy Governor:** No thank you, Madam Speaker.

**The Speaker:** Thank you.

**Civil Aviation Authority of the Cayman Islands Financial Statements for the year ended 30 June, 2010**

**The Speaker:** Honourable Acting Deputy Governor.

**Dr. the Hon. Dax Basdeo, Acting Deputy Governor:** Thank you, Madam Speaker.

I beg to lay on the Table of this honourable House the Annual Report of the Civil Aviation Authority for the year ending 30 June 2010.

**The Speaker:** So ordered.

Does the Honourable Acting Deputy Governor wish to speak on this report?

**Dr. the Hon. Dax Basdeo, Acting Deputy Governor:** No thank you, Madam Speaker.

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

**The Speaker:** I have given permission for a statement from the Honourable Premier.  
Honourable Premier.

**FUJIGMO Limited and Governor in Cabinet—Main Agreement dated 7<sup>th</sup> January 2009**

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

Madam Speaker, on a television debate last Tuesday night, the Leader of the Opposition said I was not telling the truth concerning the fact that the Peoples Progressive Movement during their time in office had signed an agreement with Dragon Bay and Mike Ryan in January 2009.

Madam Speaker, not only did they sign the agreement, and not only did I put that agreement on the Table of this House, but they did so without any public knowledge to any public body, to any public sector group, to any newspaper, or to any news media. I do wonder why the famous CNS did not get that and release that document. They did not engage in any public debate, and, in particular, they did not bring this agreement to the attention of myself or to Members of the Opposition in this honourable House.

Madam Speaker, here is some of what they agreed to in that agreement, all of which has an impact on the Government and the people of these Islands in a similar way as the Dart agreement does—the one that they continuously curse—except we will not hide that agreement. Most of it has been made public and we will bring it to the public and will continue to bring it to the attention of the public.

Madam Speaker, not only did the Honourable Leader of the Opposition (if I should put it that way) tell a blatant lie on me on national television, but the *Hansards* of the House completely vindicate me. On Monday, 12<sup>th</sup> September 2011, I exposed to this honourable House the hypocrisy and the deceit of the Peoples Progressive Movement when I read into the records their secret agreement of 7 January 2009 with FUJIGMO Limited. In fact, I extensively read the content of this agreement and laid it on the Table of this honourable House.

For the sake of clarity, I will do that again today, just to prove to this honourable House how deceitful, and just the great lengths—as he did yesterday which means I am going to have to prove him wrong there too—on how he is attempting to tell people that I am telling all of these lies when documents prove otherwise. And so, Madam Speaker, I want to take the time of this honourable House to read this Agreement dated 7<sup>th</sup> January 2009: “FUJIGMO Limited, and the Governor in Cabinet of the Cayman Islands—Main Agreement.”

“This Agreement, dated 7<sup>th</sup> January 2009, is made between: 1. FUJIGMO Limited, a company incorporated in the Cayman Islands—

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Madam Speaker—

**The Premier, Hon. W. McKeever Bush:** —“the registered office of which—

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Madam Speaker—

**The Premier, Hon. W. McKeeva Bush:** —is at M&C Corporate Services Limited—

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** On a point of order.

**The Speaker:** Yes, ah . . .

#### POINT OF ORDER

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Madam Speaker, I don't mind the criticism. But the Premier is telling a blatant untruth.

I have never denied that the PPM Administration signed any document with FUJIGMO. I would be an idiot to do so. It is a matter of public record and it has been laid on the Table of this House.

**The Premier, Hon. W. McKeeva Bush:** Heh, heh, Madam Speaker, I sat before that Honourable Member and he denied it on television. He said that he did not sign it, or they had no such agreement, he didn't sign any such agreement.

Madam Speaker, I did not say that he had signed it. I said that they were party to the agreement. And whether he signed it or not, or they had the Cabinet Secretary sign it, Madam Speaker, it was his administration. And it is all semantics and a game of play for that Member, Madam Speaker. That is what he constantly does—uses semantics to expect to wield his way out of what they did and to blame me.

Now I will read it again because they need . . . the public needs to understand the lengths that the Leader of the Opposition will go to try to shore up his faltering campaign. But I can tell this country—and I am not speaking to the agreement yet, I'm speaking to what he just said, Madam Speaker—that between now and May, this country is going to be destroyed by that Member in his attempt to become Premier of these Islands.

Can I continue reading this agreement, Madam Speaker?

**The Speaker:** Yes, you may continue reading the agreement.

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

So, this is the agreement that they did not have, but this is the agreement dated 7 January 2009.

**"THIS AGREEMENT dated 7<sup>th</sup> January 2009 is made between:**

**"(1) FUJIGMO LIMITED, a company incorporated in the Cayman Islands, the registered office of which is M&C Corporate Services Limited, PO Box 309 GT, Uglan House, South Church Street, George Town, Grand Cayman,**

**Cayman Islands (hereinafter called 'the Developer'); and**

**"(2) THE GOVERNOR IN CABINET OF THE CAYMAN ISLANDS, Government Administration Building, Elgin Avenue, Grand Cayman, Cayman Islands (hereinafter called 'Government').**

**"WHEREAS:**

**"(A) The developer is the registered proprietor of the leasehold interest in all that property known and registered as registration Section West Bay Beach North, Block 17A, Parcel 10/1 also known as the Safe Haven development (hereinafter 'the Property');**

**"(B) Government and the Developer are both desirous of the Developer developing the Property into a world class development.**

**"(C) To that end, Government and the Developer have entered into a non-binding Heads of Agreement ('the HOA') with regards to the Property and the Developer and the Government are now desirous of entering into a formal binding agreement so as to create binding obligations on the parties with regard to the various matters set out in the HOA.**

**"NOW IT IS AGREED as follows:**

**"1. This Main Agreement sets out the main terms between the Government and the Developer relating to the development of the Property by the Developer and such other ancillary matters outlined herein. It is recognized and understood by the parties that circumstances may require that further agreement or agreements may have to [be] entered into with other parties or may be necessary to provide for greater detail or specificity of the obligations and initiatives provided for hereunder. The parties hereby agree that if such agreement or agreements are entered into, the relevant provisions of this Main Agreement shall be incorporated into such agreement or agreements substantially in the terms herein agreed save only for such amendments and/or variations thereto as may be agreed and/or required in the context of such agreement or agreements.**

**"2. The Developer hereby agrees that it will use its best endeavours to procure an agreement with the Port Authority which**

will require the Developer to develop a public marina on a suitable and appropriate location within or in close proximity to the Property which agreement shall be substantially in the same form and substantially on the same terms as the Agreement and annexed hereto as 'Schedule I.'

"3. The Developer hereby agrees that it will, insofar as is reasonably practicable, continue to allow members of the public to acquire membership to the golf course located upon the property and shall allow, insofar as is legally possible and reasonably practicable, recognizing the Developers primary obligation to the rights of landowners within the Property, such members to have equal rights relating to such membership and that all members will be allowed to play on the said golf course until such time as redevelopment of the property dictates that the golf course or part or parts thereof should be closed for necessary earth works, construction or related activities at which time the course or such part or parts thereof will be closed to all members. The Developer further agrees that after completion of the construction of the golf course it will continue to provide opportunities for membership whereby members of the public can acquire golf access without the requirement to first purchase property within the development.

"4. Government hereby agrees to grant to the Developer a Variation of Lease in respect of the existing lease on the Property substantially in the same terms as set out in the draft to Variation of Part of Lease annexed hereto as 'Schedule II' so as to provide for a lease in respect of the property with a term ending ninety-nine (99) years from the date of execution of the instrument whereby such extension is granted. Such extension shall be subject to the Developer paying to Government, as rent in respect thereof, a sum or sums of money to be agreed between the parties based on the current market value of such an extension.

"5. Government hereby agrees to do everything within its lawful authority to support and assist the Developer in obtaining the necessary licences and approvals (including granting the necessary coastal works licence) for the redevelopment of the North

Sound coastline along the eastern end of the Property substantially in the manner depicted by the draft Master Plan annexed hereto as 'Schedule III.' Such redevelopment would include reclamation and excavation of the coastline, . . ." Ah-ha, Madam Speaker, that is the Queens bottom that they are talking about. I guess that does not have any value to it so they did not need to put that public but anything we are doing has to have a value. ". . . construction of adequate and appropriate shoreline protection and remediation and/or replacement of the existing damage mangrove island located immediately to the east of the Property. In furtherance of this objective, Government hereby further agrees to grant to the developer leases in respect of Block 17A, Parcel 5, and Block 12C, Parcel 362, being the two mangrove islands lying offshore from and adjacent to the Property substantially in the same terms as set out in the two draft lease agreements annexed hereto together as 'Schedule IV.'"

Now, Madam Speaker, I suppose that didn't carry any value to it either so they did not have to get any valuations. There was no procurement for that. They did not need anything like that.

*[Inaudible interjection]*

**The Premier, Hon. W. McKeever Bush:** No!

*[Inaudible interjection]*

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, you see when it gets hot for that Member he sits there and grumble like a little child instead of listening and learning and remembering. But he does not choose to remember, he wants to interrupt.

"6. Government hereby agrees to grant waivers and reductions in stamp duty in accordance with 'Schedule V' annexed hereto so as to encourage the marketability of the North Sound side of the West Bay Peninsula."

Nothing wrong with that, Madam Speaker, we are doing more or less the same thing but that is what we are getting cussed for.

*[Inaudible interjection]*

**The Premier, Hon. W. McKeever Bush:** *[Replying to inaudible interjection]* No, nothing wrong with it because you signed that one; it is wrong because we are

trying to get something for this country! Stop interrupting.

**The Speaker:** Please . . . the back and forth, if you are going to read the document, let's get the document read.

*[Inaudible interjection]*

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, I heard what the Member said. I suspect other Members have heard what the Member said, that I am telling lies. I am reading a document which he was party to, which the Cabinet of this country signed for him to be able to give Mike Ryan and Dragon Bay these commitments.

This is not lies. And, Madam Speaker, if he repeats it again I am going to stop the proceedings, or ask you to stop it, and ask him to withdraw it and strike it from any record in this House because he is constantly doing it. And he is laughing about it with impunity, Madam Speaker, and I am tired of it!

**The Speaker:** Please continue reading the document.

May I have no further interruptions until the document has been read?

**The Premier, Hon. W. McKeeva Bush:** They would love for me to have a stroke. I'm not having any stroke.

*[Inaudible interjections]*

**The Premier, Hon. W. McKeeva Bush:** *[continues reading]*

"7. Government hereby agrees to grant of waivers and reductions of Import Duty on construction materials in accordance with 'Schedule VI' annexed hereto so as to allow the Project to be developed viably and expeditiously.

"8. Government hereby agrees to do everything within its lawful authority to support and assist the Developer in obtaining the necessary permissions, licences and/or approvals from the Airports Authority or any other relevant body or agency for the purpose of the Developer obtaining a dedicated space within the current and proposed expanded/" not just the current one "modified Owen Roberts Airport Terminal for the exclusive use of the Development for the landing and processing by Immigration and Customs of owners, tenants and residents of the Development and for the promotion of the Development." Mm-hmm. "The Developer shall be solely responsible for the cost of creating, renovat-

ing or modifying such space to meet the purpose intended and will pay all normal operating costs for the space including, but not limited to water, electricity insurance and common area charges if any. Government shall recommend to the Airports Authority and/or any other relevant body or agency that the Developer shall pay these costs and all costs associated with the provisions of customs and immigration services at this space in lieu of any rent which would otherwise be charged for the space for a period of ten years or until such time as the costs incurred by the Developer in creating, renovating, modifying and operating the space have been offset, whichever is the sooner and Government shall further recommend that such space shall be leased to the Developer for a period not less than twenty years on reasonable and appropriate terms and at an open market rate for that type of premises."

I wonder where all the investigations are for this; all the cost factors and all the procurement measures that he now says are needed.

"9. Government hereby agrees to do everything within its lawful authority to support and assist the Developer in obtaining the necessary permissions, licenses and/or approvals from the Airports Authority or any other relevant body or agency for the exclusive use of a Dock/Landing facility at a suitable location within or in close proximity to the Airport Lands (as defined by the Development Plan 1997 (2006 R)) so as to allow for water transportation to and from the Development. The Developer shall be solely responsible for the cost of creating such Dock/Landing facility and all normal operating costs including but not limited to water, electricity, insurance, maintenance and common area charges if any. Government shall recommend to the Airports Authority and/or any other relevant body or agency, that such costs shall be in lieu of rent which would otherwise be charged for a period of ten years or until such time as the cost incurred by the Developer occurred in creating or operating the space have been offset, whichever is the sooner and Government shall further recommend that such space shall be leased to the Developer for a period not less than twenty years on reasonable and appropriate terms and at an open market rate for that type of premises.



"10. Government hereby agrees to do everything within its lawful authority to support and assist the Developer in obtaining where necessary reasonably and competitive rates for the supply of wastewater treatment and the supply of non-potable water by the Water Authority to the Development. Government shall recommend to the Water Authority and/or any other relevant body or agency that such rates shall be such that the cost of supply of such services to the Development is the same as or less than the actual cost of the Developer producing these services for itself. If the Water Authority is not able or willing to provide such non-potable water to the Property within the necessary timeframe Government will do everything in its power or under its lawful control to assist the Developer in obtaining any necessary license to the Developer so as to allow the Developer to produce such non-potable water itself for use within the Development.

"11. Government hereby agrees to do everything within its lawful authority to support and assist the Developer in obtaining the necessary permissions, licenses and/or approvals (including waiver of Import Duty) for the importation and installation of alternative energy equipment and related materials and operating supplies and for recycling equipment and other eco-friendly operations and reduced or zero emission vehicles to be used within the Development (including electric or solar powered vehicles and boats). Subject always to the provision of the Electricity Regulatory Authority Law (2008 Revision) Government further agrees to do everything within its lawful authority to support and assist the Developer in obtaining the necessary permission or authorization so as to allow the Developer to produce electricity by way of alternative or renewable means and to supply and charge for the same only within the Development.

"12. Government hereby agrees to do everything within its lawful authority to support and assist the Developer in obtaining at least fifty (50) work permits for the purpose of creating the Development and for staffing of any hotel development within the property, provided that the same can be justified by way of a business staffing plan which shall be submitted along with the applications for such permits." Uh-huh, complaining about CHEC though.

"13. Government and the Developer hereby agree to exercise all due diligence and to endeavor to do everything reasonable, possible to enable the objects of this Main Agreement to be carried out expeditiously and the parties hereby agree to not engage in any activity or initiative so as to have a dilatory effect on the performance of each of its obligations hereunder and the parties each undertake to engage in frank and open dialogue with each other and any other necessary parties with a view to assisting in expediting the performance of each of its obligations hereunder.

"14. Unless the context otherwise requires, words used herein importing the singular number shall include the plural number and vice-versa, words importing the masculine gender only shall include the feminine gender and words importing persons only shall include companies or associations or bodies of persons whereby incorporated or not.

"15. This Main Agreement shall be governed by and construed in accordance with the laws of the Cayman Islands.

"IN WITNESS WHEREOF this Main Agreement have been signed the date first above-mentioned" (that is, the 7<sup>th</sup> February 2009)

"SIGNED for on behalf of Fujigmo Limited: Michael Ryan, Director

"SIGNED for on behalf of the Government: Orrett Connor, MBE, JP, Cabinet Secretary."

That's the end of that part of the Agreement.

Madam Speaker, at times when I speak I do not always remember everything on all matters, but I do not lie. The Leader of the Opposition, whenever he is challenged, always says that the other person is telling a lie. Of course, he was supposed to be some kind of defence lawyer, so he is good at that kind of thing.

**The Speaker:** Let's leave the comments and the asides out. Just read the speech.

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, I can't help it. The Leader of the Opposition—

**The Speaker:** Try.

**The Premier, Hon. W. McKeever Bush:** —obviously has a very selective memory, and it appears that the closer it comes to the general elections, the more se-

lective he becomes with his memory. No matter what, Madam Speaker, it is simply not being honest.

**The Speaker:** Are there any questions on this statement just made?

**The Premier, Hon. W. McKeeva Bush:** No, they are not going to ask any questions on this one.

**The Speaker:** If there are no questions . . . are there any questions?

*[Inaudible interjections]*

**Mr. Ellio A. Solomon, Fourth Elected Member for George Town:** Madam Speaker, a question.

*[Inaudible interjections]*

#### **Moment of Silence RE: 1932 Hurricane**

**The Speaker:** I have asked Members not to converse across the floor. Your remarks should be directed to the Chair.

I have been asked at this point by the Honourable Deputy Premier to observe a moment of silence on behalf of the people of Cayman Brac for the 80<sup>th</sup> Anniversary of the 1932 Hurricane. Would the Members of this House please stand in silence for a moment in respect to the number of people who lost their lives in that hurricane?

*[The House rose for a moment of silence]*

**The Speaker:** I thank you. Please be seated.

**The Deputy Premier, Hon. Juliana Y. O'Connor-Connelly:** Madam Speaker, thank you for your indulgence. And just also to inform the honourable House that this evening at six [o'clock], at the Museum on Cayman Brac, we will be having a special ceremony to also remember those who lost their lives. I thank you.

**The Speaker:** Madam Clerk.

*[Inaudible interjection]*

#### **Short Questions on Statement by the Premier**

*[Standing Order 30(2)]*

**The Speaker:** I asked for questions. I called it three times. I didn't hear anyone say that they wanted to ask a question. Who wanted to ask a question? I don't want to leave anyone out because . . . from either side.

Fourth Elected Member for George Town.

**Mr. Ellio A. Solomon:** Thank you very much, Madam Speaker. Just two questions for the Minister.

I definitely heard what he read through, but if it is possible he could perhaps answer these two questions; [I would] greatly appreciate it. (1) What was the total value of concessions that would have actually been given in the agreement? And was there any value for money process that was followed through on this particular project that he read about?

**The Speaker:** Honourable Premier.

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, I cannot answer that because the fact is I did not know anything about this agreement—never heard about it. There were no public discussions—none in this House, no statements made by the Government. Nothing! So, I do not know what was done.

All I know is that when I took over I found the agreement. As the Government, we found this agreement and then the developer approached us with it. But there was none. There was no value for money done except for the stipulations that certain things have to be done, you know, in certain agreements; rent and all of those sorts of things, as I read out.

But I would ask that question myself: Where was the value for money? Where was the procurement process? Where was the good governance? Where were all of these things? I have to ask that myself.

**The Speaker:** Does any other person wish to ask a question?

**The Premier, Hon. W. McKeeva Bush:** What I can say, Madam Speaker, is, that this amounts to millions of dollars in waived duty and in give-ups that the Government had to give. And this agreement is something similar to what we are doing with the Dart agreement.

**The Speaker:** If there are no further questions, can we move on to the next item of business?

*[Inaudible interjection]*

## **GOVERNMENT BUSINESS**

### **BILLS**

#### **SECOND READING**

##### **Public Management and Finance (Amendment) Bill, 2012**

*[Continuation of debate thereon]*

**The Speaker:** When we interrupted the proceedings yesterday, the Member for East End was on the floor

debating the Public Management and Finance (Amendment) Bill, 2012. I would ask him at this time to continue his contribution.

Member for East End

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

Madam, Speaker, I think I should say that the silly season has begun, so we can expect much more of this.

*[Laughter and interjection]*

**Mr. V. Arden McLean:** [We are] on the eve of an election and now it is when we will hear the silly season start.

Anyway, Madam Speaker, when we adjourned yesterday I was debating the amendments to the Public Management and Finance Law in accordance with the wishes of the UK to transpose the Framework of Fiscal Responsibility (FFR) thereto. And, Madam Speaker, I think I made a mistake yesterday, or the Attorney General had me make a mistake yesterday, when I was talking about the regulations. I think I was right at the point about regulations as to whether which [ones] should come to parliament and which ones do not, and which are made by Cabinet without the need for approval from the legislature.

As I understand, there are three ways for regulations to be implemented. And as we all know regulations are the working instructions of the law. One is that Cabinet makes a regulation and gazettes it, and it becomes a regulation. The other two ways are: it comes here for affirmative approval, which is that Members have to vote; and the other is negative resolution wherein it is laid, and if no one objects within 21 days it becomes a regulation.

I see the Attorney General is shaking his head. I think both of us got it crossed yesterday. Anyway, I wanted to clarify that, Madam Speaker.

Madam Speaker, subsequent to the adjournment yesterday, I have come across—

**The Speaker:** Would you all turn off all speakers except the one the Member is using, and make sure your electronic equipment is off as well so that it does not feed into his speaker. Thank you.

**Mr. V. Arden McLean:** —some information that I believe I need to address.

Madam Speaker, we continue to wonder why there is a need for England to step in and require certain provisions be put in place to protect the citizens of this country and to ensure good governance in this country, or through good governance in this country. On Monday, Madam Speaker, when I inquired of the Premier as to how many people or how many companies responded to the tender for the dock—because in his statement he said that CHEC was one of the

five—he informed this honourable House that CHEC had in fact responded to the tender. Well, Madam Speaker, at that time I told the Premier that that is the purpose of FOI [Freedom of Information]. We will just have to find out.

Madam Speaker, we did our FOI and there is some serious stuff in these Minutes from the Port Authority. Stuff that means that England is watching and that is why they are requesting that there be some control placed on this country, and, in particular, this Government.

Madam Speaker, there was no tender. Government invited interested parties to submit expressions of interest for the design, finance, and build of two cruise ship finger piers, and improvement to the existing cargo facility at the George Town Port. And, Madam Speaker, there were two, four, six, eight, ten, eleven companies that responded: the Nava Port [PHONETIC], DECCO, Misener, Royal Construction, Ballast Needham, Cayman Consortium, Moore Marine Services, R A Hawkins, CHEC, Midland Acres, LCL Limited. Now I would like to know how Midland Acres get into this; this is a quarry. We need to find out who that is owned by.

Now, Madam Speaker, in assessing who of those who would be invited or who qualified . . . this was a pre-qualification process. The committee, in trying to evaluate who pre-qualified, pre-qualified four [companies] to bid on those two piers, and they were: Nava Port [PHONETIC], DECCO, Misener and Royal Construction. Nowhere was CHEC even considered. Of the five requirements, which were financing experience, environmental study, business model, master plan, CHEC qualified for one—experience. Madam Speaker, we all have to remember this was November 2010. So, in essence, the committee, which included some Members of this honourable House, did their assessment and decided CHEC was not even worthy of consideration. We need to know, this country needs to know how CHEC came to be our saviour. This country needs to know.

Madam Speaker, let me tell this country who the subcommittee was in determining and evaluating those expressions of interest by those 11 companies. The Minutes of October 12<sup>th</sup>, 2009, of the Port Authority says: “The Chairman called a meeting to form a committee to review the applications received from respondents on the expression of ‘interest’ to build a cruise berthing facility in George Town. A committee was formed with Cline Glidden as Chairman and the remaining members consisting of Dwayne Seymour, Ellio Solomon, Captain Eugene Ebanks, Stefan Baraud and Woody Foster.” [UNVERIFIED QUOTE]

Madam Speaker, we are getting closer to the reason why England is putting its foot on our throat, as the Premier expresses. This Government is taking our country in a bad, bad direction.

Madam Speaker, I am going to go on. On November 12<sup>th</sup>, 2009, the Port Authority Board convened a meeting—

**The Speaker:** Member for East End, if you are going to quote extensively from those documents I need to have a copy in front of me.

**Mr. V. Arden McLean:** You can get them, Madam Speaker, because they are freedom of information.

**The Speaker:** If you are going to use them on the Floor of the House it does not matter where they came from, I am supposed to have a copy. So, if you are going to quote extensively just make sure I have a copy.

**Mr. V. Arden McLean:** Madam Speaker, then the proceedings will have to be shut down for a little bit.

**The Speaker:** It won't have to be shut down, the Serjeant can quickly do that, it only takes a few minutes to do it.

I will just pause the proceedings for a couple of minutes while the Serjeant gets copies of these documents so that I can have them on my desk when the Member is reading from them.

I would remind Members that this should be done with documents that you intend to quote from. All Members, when using documents, the Chair is supposed to be provided with copies.

[Pause]

**The Speaker:** I have been provided with the copies. Member for East End please continue.

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

Madam Speaker, when we took that pause I was on the Minutes of November 12<sup>th</sup>, 2009, which is subsequent to the Committee having been formed now. So, the committee was formed October 12<sup>th</sup> and now this is November 12<sup>th</sup> 2009. And, Madam Speaker, the Minutes, section 3 is sub-headed "DECCO" [read]:

"1. The Chairman said that DECCO was chosen by Cabinet as the company for which a Memorandum of Understanding (MOU) would be signed to move forward with the port development project. A committee that included the Chairman and Deputy Chairman of the Port Authority used a detailed process to evaluate the companies that responded to the invitation for an expression of interest. Eventually a shortlist of four companies, Misener Marine, Nava Port, Royal Construction and DECCO was taken to Cabinet for their decision. The selection committee/government decided at this point not to use the Central Tenders Committee (CTC) as the urgency to start this project is great and the CTC process can often be lengthy.

However, all efforts were taken to ensure the selection committee process was fair and transparent.

"2. The MOU is currently being drafted and will be reviewed by the Attorney General's Office prior to signing. However, the parties to be signatories have not yet been agreed. The MOU together with DECCO's plans will be made available to the Board of Directors by the Chairman in the near future.

"3. The Chairman said that the engineering firm Halcro [PHONETIC] would be retained by Port Authority to assist in reviewing DECCOs' proposals." [UNVERIFIED QUOTE]

Section 4—Auditor General: "The Chairman read a letter to him from the Auditor General asking for certain information on the selection process for a potential port developer used by the Select Committee. It was noted that at this point only an MOU will be signed, but that the possibility still exists that the Central Tenders Committee could be involved at a later stage. It was agreed that the AG would be invited to address the Board of Directors at the next meeting so that he could clarify firsthand any issues they may have, as there has been much said in the press in recent times on this matter." [UNVERIFIED QUOTE]

Now, Madam Speaker, I want to know how we can go from the Port Authority issuing an expression of interest, to a sub-committee doing the evaluation which determined that four of those who expressed interest were eligible to bid, and we gave it to DECCO—one—who fully qualified the requirements of that expression of interest request? How can Cabinet approve DECCO doing the job? How can Cabinet just go and pick DECCO out of it? Is there not another process to find out who really should get it?

This is the beginning of the process of having an expression of interest. And then you evaluate that to see who qualifies to move on to the bidding process. That is when the bidding process starts. That is called pre-qualification. But, no, Cabinet picks it up, takes it to the Glass House and in one of their meetings decides they are taking DECCO. *DECCO is going to do it. We are going to give it to Dart.* That is good governance? That is one of the reasons why we have the Cayman Islands Government Framework for Fiscal Responsibility, Madam Speaker. That's one of them!

But more importantly, Madam Speaker, you remember where I said that CHEC and Midland Acres were? Way to the bottom. Down at the bottom! DECCO did not do it, here comes along another company that qualified, Royal Construction. The only thing they did not have out of the requirement was a master plan. They had financing. That committee, Madam Speaker, gave them approval on whether or not they had financing. Here comes along Royal Construction and they turn to them and then we go and terminate that because they do not have any financing when the committee a few months ago said they had proven

they could finance it. And then we settle out of court—what? Two or three million [dollars]?

Madam, Speaker, you see the lack of processes and what the Premier continues to talk about in this country about substance over process . . . you see where it has gotten us? The country must understand it is the Framework for Fiscal Responsibility . . . do not blame England! And I am speaking to the people of this country. Don't blame England. The problem lies in our country right across there. The nine of them who sit there must take full responsibility for the slide this country is going into, and the reason this Framework for Fiscal Responsibility is on us! It's them! And in particular the Premier!

And he says he was under duress. You ever heard of him being under duress? Nobody can force him to do anything. He has said that many times. Might as well say you have to force me to do it.

*[Inaudible interjection]*

**Mr. V. Arden McLean:** You wait ya, it nah finish yet. You can come behind any time you are ready.

**The Speaker:** Not across the floor.

**Mr. V. Arden McLean:** I am telling you that I have a responsibility to the people of this country in general, and the people of East End in particular, and until the 22 May *unnah* got plenty trouble with me.

**The Speaker:** Just address your remarks to me.

**Mr. V. Arden McLean:** Madam Speaker, it is downright treacherous to think that our country has to go through this.

It is wrong. It is wrong for the Premier to be in negotiations with England for a year on this, come home here from the trip, come to parliament and within days go back and sign it and come right back before the OTCC [Overseas Territories Consultative Council]. This is what he signed and put this country into. And he stands here and talks about what the PPM did. I heard him this morning reading out from an agreement that the PPM . . . and I am going to defend myself because I was a part of the PPM.

Madam Speaker, pivotal in what he read this morning, "Government agrees to assist within lawful authority." That is the key. Is all of this done within the lawful authority of this Government? Did they provide lawful authority when it came to DECCO? When it came to CHEC? Why were these people pulled out, in particular, and the others not given a chance to bid?

Why is it that the Premier continues to manipulate the minds of the people of this country by saying things like "CHEC expressed an interest"? They were disqualified. Four of his Backbench Members were on that committee and they disqualified them, not me! And they disqualified Midland Acres too! And he turns

around and overrules the Port Authority and four of his Backbenchers, and says that they qualified.

### Point of Order

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, on a point of order, and it is a point of order. The Member is misleading this House.

I overruled nobody and the Member [should] not go there because it is not true and I can prove it. I overruled nobody. The same agreement the Port Authority made with the others, they made with CHEC. That is on record.

**The Speaker:** Member for East End, continue your debate. But please keep the accusations out.

**Mr. V. Arden McLean:** Madam Speaker, I'm going to—

**The Speaker:** State your facts and keep the accusations out.

**Mr. V. Arden McLean:** Okay, I don't have a problem with that, Madam Speaker. I appreciate that. But I would like the Premier to get up now and tell the country and all of us how it is that CHEC was disqualified from the bidding process based on their letter of expression of interest, which required them to do a lot of things, environmental, and show they can do that and what have you, and all of a sudden they come to the forefront to build it. Who overruled who, since it was not him? I will sit and give way.

*[Inaudible interjection]*

**The Speaker:** He is not going to answer you across the floor. He will have a time to reply when you have completed and the debate has been completed in this House.

Please continue with your contribution.

**Mr. V. Arden McLean:** Madam Speaker, the country has a right to know.

When four duly elected representatives of this country make a decision that they were asked to make and they evaluated and said it was a good evaluation process, fair, and somehow through some magical waving of a wand, the one at the bottom comes to the top. I know it wasn't the Opposition, I know it wasn't me and I know it wasn't the Member for North Side, and I am almost sure it wasn't the Governor or the UK.

Who else is in charge? There is only one other entity that governs this country, and that happens to be the UDP Government. I don't have a problem with the Premier blaming one of his other Ministers for having overruled it after he has responsibility for the Port. I don't have a problem. Maybe the Attorney

General did it or the Deputy Gov . . . I wouldn't say the Deputy Governor because you know the Governor would have to be in that.

But someone had to overrule those four goodly gentlemen who sat on that board and did the evaluation process. And the only person who has responsibility for the leadership of the UDP Government happens to be the Premier, the Honourable—

**The Speaker:** No, not the name; his title. Thank you.

We are going to follow the rules in that regard. Please do not name Members.

**Mr. V. Arden McLean:** Madam Speaker, I hope we do.

**The Speaker:** Name the title. He is the Premier and that's it.

**Mr. V. Arden McLean:** But, Madam Speaker . . . that's fine, I don't have a problem with that.

**The Speaker:** Yes.

**Mr. V. Arden McLean:** But, Madam Speaker, I hope we really do follow the rules in here.

Madam Speaker, the Premier, the First Elected Member for West Bay, the Minister for Finance and Port Authority, he must tell this country how CHEC GOT TO THE TOP!

*[Inaudible interjection]*

**Mr. V. Arden McLean:** And he must tell the country how DECCO was picked out and given preferential treatment over the other three that qualified too!

He must tell the country that!

I hope we understand what this thing about substance over process has cost us in this country. And that phrase has been coined by the UDP Government. It wasn't coined by me when I was a part of the PPM, nor by anybody with the PPM. Not to my knowledge. Because if I knew that they were doing something, Madam Speaker, I would be the first one to throw them under the bus!

*[Inaudible interjection]*

**Mr. V. Arden McLean:** Me, first one!

*[Inaudible interjection]*

**Mr. V. Arden McLean:** They might have done it, but it was not with my consent.

*[Inaudible interjection]*

**Mr. V. Arden McLean:** And this Premier stands in this House and talk about the deceit of PPM?

Single them out. Pick out the ones you want. You may question my ability, but you don't question my integrity. I will never give you an opportunity to do that. You find someone else to pick on! Don't lump me in with anybody. Don't paint me with any brush.

And he talks about the deceit of PPM, would not make it known. I want to ask the Premier: How can he say that the ForCayman Alliance has been made public? How can you say that ForCayman Alliance has been made public when you have the Member for North Side being investigated now criminally to find out where it came from? Your police!

You think that is fair? So how was it made public? Somebody needs to tell us how it was made public. If it was not that Ezzard received it in the mail and then made it public. Now you are criminally investigating the guy.

**The Speaker:** It is the Member for North Side. Please calm down and . . .

*[Inaudible interjection]*

**The Speaker:** You are getting very excited. Please calm down.

**Mr. V. Arden McLean:** Me, get excited?

**The Speaker:** Mm-hmm.

**Mr. V. Arden McLean:** Picked the wrong one. You hear the Premier saying he does not get strokes. I don't get a heart attack, I give 'em.

Madam Speaker, I am going to speak in this country in defense of its people. That is what I am paid for. And this Government is taking this country down a road that our children and our grandchildren will never recover from. We will soon be as barren as the Sahara Desert. And then, Madam Speaker, we have . . . and I have to get excited, if that is what you call it, Madam Speaker, if that is how you describe it. You have to when you see the injustice that is being served upon the people in this country. It is wrong. Whether it is for someone's personal gain or not, it is wrong! We were put here in the best interest of our people. Now conduct ourselves accordingly.

Look as much as *unnah* want.

Then, Madam Speaker, under pressure from England because of this FFR . . . you'd better get up and speak and defend your little corner.

*[Inaudible interjection]*

**Mr. V. Arden McLean:** Not me.

And, Madam Speaker, the Premier makes his announcement to the public that they are withdrawing the CHEC agreement. And then CHEC sent out a statement yesterday evening too (or yesterday)—and

this is a public document; it is in the press, Madam Speaker, where . . .

[Pause]

**Mr. V. Arden McLean:** Madam Speaker, they are laying their claim because they have a framework agreement signed. Does it mean we are going to have to pay them like we had to do with GLF?

I recall the Premier talking about only having to pay for intellectual properties some time ago. Well I hope he knows that the Chinese are saying they want theirs paid for too.

Madam Speaker, the Premier is saying England is going to have to pay for it. That's what he was trying to do, to put that section into this law. England is not going to pay for it. It is this country that will pay for it; but, more importantly, because of the mismanagement of the Premier. Absolute mismanagement! Not only that, Madam Speaker, he is asleep at the wheel. He talked about the ship on the rocks when he got here. Her bottom has torn out, the one he is on and she is sinking, and sinking fast.

He is asleep at the wheel! It is either he, his staff, or his colleagues are asleep at the wheel!

[Inaudible interjection]

**Mr. V. Arden McLean:** You call order any way you want. This is related to the FFR. This is the first opportunity to debate it.

The reason we need the FFR is because of press releases like [what] Conyers, Dill & Pearman made yesterday. The same six million dollars that during the Premier's tenure he deferred for Michael Ryan, and under the PPM the payments started, and as soon as the UDP Government was reelected he stopped paying it. And these people were prepared to pay it.

Madam Speaker, the press release yesterday expressed that.

[Inaudible interjection]

**Mr. V. Arden McLean:** Madam Speaker, the <sup>1</sup>[press release](#) said in part: On the 23 April 2012 RC Cayman Holdings “**approached the Premier's Office with a range of proposals concerning the [Ritz Carlton] Resort.**” These proposals included the payment of outstanding stamp duty obligations related to the Ritz Carlton development.

On the 14<sup>th</sup> June 2012, following up on the initial meeting the formal letter “**setting out in detail each of the proposals to facilitate payment of the outstanding duty**” was delivered to the Premier. Subsequently, the Premier was made aware of the

eminent 31<sup>st</sup> October deadline on which the Ritz Carlton property would be sold by public auction. “**To date, no reply—formal or otherwise—has been received by RC Cayman Holdings from the premier, his office or the Cabinet. This is despite many subsequent attempts over several months to contact the Premier's office by direct and indirect means.**”

“**The opportunity for government to resolve the matter of deferred duty was lost with the October sale.**”

It is either he is sleeping in his office, or he is sleeping on the airline travelling all over the world, and not doing his job. That is why we need the Framework for Fiscal Responsibility. That's why we need it!

And then he goes to the Philippines proposing to sell half of Cayman Airways out to them too.

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, the Member has always been—in particular, in here this morning—throwing around all of these accusations without any proof. I am going to ask that that be struck from the record because there is no proof to it. He has none. And he has to stop misleading this House because he is so reckless that he does not care what he says as long as he damages whoever he is attacking. He is lying and he must withdraw it right now!

**The Speaker:** Stop right there.

**The Premier, Hon. W. McKeever Bush:** Well, Madam Speaker, I call on the Standing Orders.

**The Speaker:** I will handle the matter.

**The Premier, Hon. W. McKeever Bush:** Okay.

**The Speaker:** Member for East End, do you have proof for the statement you just made? If you do not have proof, please withdraw it.

**Mr. V. Arden McLean:** Madam Speaker, he wants proof? I hope he understands we are in the Parliament. I hope he understands that.

**The Premier, Hon. W. McKeever Bush:** I want the proof.

**The Speaker:** If you are making a statement of fact, then you must have proof in your hand.

**Mr. V. Arden McLean:** [Inaudible] That's what you do. Give the Speaker one too!

[Inaudible interjection]

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, I want the statement withdrawn, struck from

<sup>1</sup> *Caymanian Compass*, 8 November 2012, “Ritz Owners: Gov't missed chance on stamp duty”

the record, and, unless he has proof—because there can't be any proof of me selling Cayman Airways in any shape or form—there is no such proposal. I want it withdrawn and an apology made because we are now on national television.

**Mr. V. Arden McLean:** Madam Speaker, he has called for proof. I said that he is proposing to sell part of Cayman Airways. He wants proof?

**The Speaker:** You said he had gone and made an arrangement (I can't remember the exact words) to the effect that he was selling Cayman Airways to a company in the Philippines.

*[Inaudible interjection]*

**The Speaker:** If you do not have proof of that in your hand, please withdraw that statement from the Floor of the House now.

**Mr. V. Arden McLean:** But, Madam Speaker, you asked for the proof and I just gave the thing to the Serjeant to go and copy.

What more do I have to do? I can't withdraw it now if he is going to circulate it to everybody. It is all over the place. Madam Speaker, this document is not private to me.

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, I don't know what he is talking about "all over the place." I want to see it and I am asking this House to break until he gets that document back.

There is a discussion going on that has commercial interest with Cayman Airways, but it has nothing to do with any sale of 50 per cent of Cayman Airways. And, Madam Speaker, if that Member is so reckless to put those sorts of things out where people see it, people hear it, then, he is going to show me the proof. The Standing Orders say that he has to withdraw it, and I want an apology.

**The Speaker:** I am going to suspend proceedings and I will go straight into the lunch period at this time to give everybody a chance to sort this out and come back to this House with some answers for this Chair.

Suspending proceedings until 1.30.

**Proceedings suspended at 12.14 pm**

**Proceedings resumed at 2.54 pm**

**The Speaker:** Proceedings are resumed, please be seated.

When we took the lunch break there was a question raised regarding a statement.

The Member for East End, who was making his presentation to the House on the Public Management and Finance (Amendment) Bill, said: ". . . then

**he goes to the Philippines proposing to sell half of Cayman Airways out to them too."**

The statement was made in regard to the Premier, who raised an objection, and the Member for East End said he had a document.

I have seen the document. The document does not say that the Premier went to the Philippines to sell half of Cayman Airways. In fact, it does not mention the Premier's name. There is no name mentioned.

I am going to ask the Member for East End to withdraw the statement he made, and then to continue with his debate.

Member for East End.

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

Madam Speaker, I understand subsequently that the Premier was not supposed to be part of any discussions, as I understand it. So, I guess I would have to respectfully withdraw that part of what I said about the sale of Cayman Airways.

**The Speaker:** Thank you very much.

**Mr. V. Arden McLean:** However, Madam Speaker—

**The Speaker:** Mm-hmm.

**Mr. V. Arden McLean:** —it is fair, to me and sundry in this country, that when quotes are made in the newspaper, by the Government, in particular, the Premier, of his travels, that we can assume certain things because we would hope if it stays in the public domain, then the Premier is not refuting it, or we would have seen an apology.

"On Friday, 26<sup>th</sup> to Sunday 28<sup>th</sup> October 2012, the *Cayman NetNews Weekender*—

**The Speaker:** Member for East End, you made a statement. I want to be sure that you understand I have instructed you to withdraw that statement before you proceed any further, and then we can move on from there.

**Mr. V. Arden McLean:** But I did.

**The Speaker:** I did not ask you for a comment.

**Mr. V. Arden McLean:** You were not listening.

**The Speaker:** I did not ask you for a comment.

You have withdrawn the statement then? Your statement was ". . . then he goes to the Philippines proposing to sell half of Cayman Airways out to them too." You have withdrawn that statement?

**Mr. V. Arden McLean:** Madam Speaker, which statement is it you want me to withdraw? That he did not sell half of Cayman Airways yet?



**The Speaker:** The statement that you made: “. . . then he goes to the Philippines proposing to sell half of Cayman Airways out to them too.” I need that statement withdrawn from the Floor of the House.

**Mr. V. Arden McLean:** But, Madam Speaker, I did. I don't know what more I am required to do.

**The Speaker:** If you have done so, then please continue with your debate. But refrain from further references on that subject, because there is no proof of it.

*[Inaudible interjection]*

**Mr. V. Arden McLean:** Madam Speaker—

**The Speaker:** What did you say, Member for North Side?

You know, your impertinence is really getting to me in this House. You have absolutely no respect for this Chair.

Member for East End, please continue your debate. I would appreciate that.

**The Speaker:** Madam Speaker, could you clarify on which subject you are talking about that I should not proceed on?

**The Speaker:** About the statement that you made, which you said you had evidence of.

**Mr. V. Arden McLean:** Okay.

Madam Speaker, as I was saying, on the [NetNews Weekender](#) from Friday 26 to Sunday 28 October 2012, it says in here that the Premier noted that he and senior staff and board members of Cayman Airways were in the Philippines on important matters for Cayman Airways, and he was also representing the airline as the Minister with its portfolio responsibilities. There is a big picture here and a caption: “**Premier Hon. McKeever Bush and Mr. Ramon S. Ang, COO, of San Miguel Corporation (SMC) at the signing of an MOU with SMC**” on Tuesday 16<sup>th</sup> October.

Now, Madam Speaker—

**The Speaker:** That does not say that the Premier sold 50 per cent of Cayman Airways—

**Mr. V. Arden McLean:** But, Madam Speaker, I didn't say—

**The Speaker:** That is what I asked you to withdraw.

Let's go on with your debate now. I would appreciate that.

What a newspaper writes . . . I have no evidence of proof. Just please continue what you are saying in your debate with regard to the Public Man-

agement and Finance (Amendment) Bill, which is before the House.

**Mr. V. Arden McLean:** Madam Speaker, I didn't say anything—

**The Speaker:** We have said this; we have gone over and over and over. We are way out there. We are supposed to be debating a Bill. I have given everybody a lot of latitude, but it is time to bring the debate back so we can get the Second Reading of this Bill brought to a conclusion.

**Mr. V. Arden McLean:** Madam Speaker, with all due respect when this Bill was supposed to be introduced, it was never introduced in this honourable House. It was never introduced, nor was the content read on the floor of this honourable House.

The Premier got up here to introduce this Bill and he read the FFR. That's all he did.

**The Premier, Hon. W. McKeever Bush:** No.

**Mr. V. Arden McLean:** Madam Speaker, that is what the Premier did. The Bill was never piloted. There was no explanation—

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, really. How far is this House going to go with this foolishness? I stood here, I introduced the Bill. I went through the Bill clause by clause, what the clauses meant, what they were, and then I read the FFR which is the substance of the Bill. What more . . . and he is saying I didn't do this. Madam Speaker, really! How far are they going to go to try to discredit me? I mean, I know they want me out, but, really, how far?

**The Speaker:** Mr. Premier, Mr. Premier, I would not be sitting in this Chair if the Bill was not in the Second Reading. Other Members have debated the Bill. The Member for East End is supposed to be debating the Bill, and I would appreciate if he would continue to do so, so we can get this second reading of the Bill concluded.

**Mr. V. Arden McLean:** Madam Speaker, let me move on.

Can the Clerk tell me how much time I have left?

**The Premier, Hon. W. McKeever Bush:** None!

*[Inaudible interjections]*

**Mr. V. Arden McLean:** Maybe too much because you don't want to hear me any longer.

*[Inaudible interjections]*

**The Speaker:** Can we please have silence?

**Mr. V. Arden McLean:** Madam Speaker, my reason for reading that is that it is connected to the FFR. Because the reason the FFR has been put in place is because England has seen the runaway . . . it needs to be put in place because England has seen the runaway by this Government on things that do not have due process. That is why I said that, Madam Speaker.

Madam Speaker, one of the things I believe we need to know, and that this country needs to know, is that since the Premier withdrew the first Bill to transpose the FFR into, and has now removed the two provisions that were causing the problem, and did not put in the procurement side of it of the FFR into the Bill, and is proposing to put it into regulations, we all need to know if that is acceptable to England.

We have the Deputy Governor here, so I expect that he would be able to make us know whether or not it has been approved, or if it is acceptable to England for it to be done in that manner.

Madam Speaker, I will gladly give way if the Acting Deputy Governor is so inclined to tell us whether or not England has approved the procurement part of the FFR being into the regulations. Because that is part of this whole process and we need—

**The Speaker:** The Deputy Governor will have an opportunity to speak if he so wishes when you have concluded your contribution.

*[Inaudible interjection]*

**The Speaker:** As any other Member of this House he will have an opportunity to speak when you have concluded your contribution.

**Mr. V. Arden McLean:** Madam Speaker, I am clearly aware of that. I am very knowledgeable of that; however, I was inviting him if he wanted to get up on a point of elucidation. That is my prerogative. He cannot elucidate unless I give him that right if I am speaking. So, that's what I was—

**The Speaker:** We're doing it backwards, Member for East End. He is supposed to get up on a point of elucidation and you give way.

*[Laughter]*

**Mr. V. Arden McLean:** No, Madam Speaker, I can invite him too. I've been here long enough to see that done, and in other places as well. And that's a fact!

*[Inaudible interjection]*

**The Speaker:** Let's leave the asides outside right now.

**Mr. V. Arden McLean:** Yes, Madam Speaker, talk to the Premier.

Madam Speaker, one of the things that I want to touch on—

**The Speaker:** Member for East End, you have 55 minutes left.

**Some Hon. Members:** Oooh.

*[Inaudible interjections]*

**The Speaker:** He did ask for information on how much time he had left.

*[Inaudible interjections]*

**The Speaker:** Member for East End, please continue.

**Mr. V. Arden McLean:** Madam Speaker, I—

**The Speaker:** Order please, I need to hear the Member.

**Mr. V. Arden McLean:** I don't have a problem with them, Madam Speaker; I really don't.

Madam Speaker, when I was speaking earlier on the section with China Harbour (and I mentioned that they had issued a statement yesterday), one of the things that China Harbour spoke to [in this statement] is: “. . . **the announcement by the Premier that the 'government is left with no choice but to abandon the present contractor negotiations, which were on the verge of being completed.'** However, the company feels that the history of its involvement and cost have not been fully considered.” It goes on to talk about intellectual properties and it reminds us of the stoppage of the agreement between the Government and GLF and the subsequent results of that wherein we, this country, had to pay GLF for termination of the understanding or agreement between them and Government.

**The Speaker:** Sorry to interrupt you again, but I need to get something clear. Are you saying that China Harbour referred to GLF, or this is an article that you are reading from a newspaper? I need to know whether you are quoting from a newspaper or if you are quoting what China Harbour said concerning GLF.

**Mr. V. Arden McLean:** Neither one. I said the press release that China Harbour did yesterday.

**The Speaker:** Was that in the press release that China Harbour did? [They] mentioned GLF? That's what I'm . . . I don't have the press release in front of me and I am trying to determine whether the press release was a release that members of the press have added other things to or is this a press release from

China Harbour quoting China Harbour only? We need to make sure that it is properly into the records of the House if that is what is being said.

**Mr. V. Arden McLean:** Madam Speaker, what I said (if I may) was that China Harbour's release talked about how the history of their involvement and cost have not been fully considered.

**The Speaker:** I understood that part.

**Mr. V. Arden McLean:** And they went on to talk about intellectual properties in that release. And then I went on to say it reminds us of what happened with GLF. Those statements by China Harbour remind us of what happened with GLF. And I was going to go further to ask whether the Government has considered all of the necessary provisions in those agreements and whether or not they have reviewed if we are going to have to pay these people for breaking it—whether it was England that forced us to break it or the Government decided to break it. That is what I was trying to get to when you—

**The Speaker:** Thank you for separating the two facts and clarifying the issue for the House.

**Mr. V. Arden McLean:** Madam Speaker, thank you. I am concerned that . . . and I believe it is also the concern of the United Kingdom that, because of this substance over processes—

*[Inaudible interjection]*

**Mr. V. Arden McLean:** —it is costing this country too much money; it is costing the people of this country too much money, therefore, they need to have some control.

Madam Speaker, it is obvious that in many instances this Government has either requested the resignation [of], or [has] removed, people from boards wherein these controversial subjects arise. I don't know the reason why but there is certainly need for us to think about it. I can think of at least two boards that, over the last little while, members of the boards were removed or resigned just when some controversy or some discussion surrounding development on that board or within that section of Government . . . It gives us reason to be concerned.

I don't know why. Is it that the people resign because they did not want to do it the way Government did? Or [were] they fired by Government because they didn't want to do what the Government wanted them to do?

*[Inaudible interjection]*

**Mr. V. Arden McLean:** Madam Speaker, the Premier is asking who the Government is.

*[Inaudible interjection]*

**Mr. V. Arden McLean:** Madam Speaker, there is always something surrounding it, and thus we get down to the point where England has become exceedingly concerned about the governance of this country. And then they require us to put a Framework for Fiscal Responsibility in place to ensure good governance on behalf of the people of this country. And then we complain that it is about PPM, or the previous Government. It is not all about the previous Government, Madam Speaker. I was a part of the previous Government.

*[Inaudible comment]*

**Mr. V. Arden McLean:** Madam Speaker, the Premier said I had to run because I did so bad. I don't know where he going to run to. I know I'm still here.

*[Inaudible interjection]*

**Mr. V. Arden McLean:** I don't know where he is going to run to when the people of this country get their hands on him for what he is doing to this country. But he needs to try to find some hole to go into.

*[Inaudible interjection]*

**Mr. V. Arden McLean:** Madam Speaker . . . I am going to wait, I am going to witness that one.

**The Speaker:** Back to the debate please.

**Mr. V. Arden McLean:** I will witness that one. Two down, one to go! Dominican Republic is available.

Madam Speaker, I am not going to continue to go on this but I was a little bit . . .

Just in closing, I want to say that some of these things that have caused this FFR to be required by England to be put in place are obvious. Ray Charles would see why—because of the conduct of this Government and the management of this Government.

*[Inaudible interjection]*

**Mr. V. Arden McLean:** The Premier is saying that he is going to put the dock back out for tender. I trust that all of those who were qualified before will be able to tender on it again.

Madam Speaker, I am not going to support this Bill unless I can hear from the Acting Deputy Governor— who just happens to be the Permanent Secretary for Finance (or one of those), Chief Officer, Dr. Basdeo—

**The Speaker:** Stick with the titles please.

**Mr. V. Arden McLean:** Madam Speaker, I am trying to describe who the gentleman is. *[Inaudible interjections]*

**The Speaker:** I am aware you are trying to describe the young man, but the fact of the matter is that he is the third person who has held that office since this House has been in operation in the last few months. Please refrain from embarrassing them on the Floor of the House by calling their names. Call them by their titles. That is the correct procedure. He is the Acting Deputy Governor. Thank you.

**Mr. V. Arden McLean:** Madam Speaker, it is very tiring and taxing when you have a young Caymanian who sits in here and for the very first time has been introduced to this House as the Acting Deputy Governor, and I can't be proud of that and call him by his one personal designation as a Caymanian and his name, after addressing him as the [Acting] Deputy Governor, so that people out there can know which Caymanian and put a face to the name and the designation to the name and the title to the name.

**The Speaker:** Member for East End he was sworn into this House. He stood in front here and was sworn into this House. The whole country knows he was sworn into that position. I am just—

**Mr. V. Arden McLean:** Madam Speaker, let me just describe him as Joy Basdeo's boy from West Bay.

*[Laughter]*

**Mr. V. Arden McLean:** Madam Speaker, anyway, I would like to hear the now Acting Deputy Governor at least tell this country if the FCO is prepared to accept this or approve this Bill before I can vote on it.

Thank you very much, Madam Speaker.

**The Speaker:** Thank you, Member for East End.

There are a number of high-level meetings that need to take place this afternoon, and I have been asked if we could take an early adjournment. So at this time, before somebody begins their speech and is interrupted, I will ask the Premier to make a motion for the adjournment of the House.

## ADJOURNMENT

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, I am pleased to ask you to adjourn this honourable House. After that fiasco I just heard.

**The Speaker:** That's not part of the adjournment motion.

**The Premier, Hon. W. McKeeva Bush:** No. I'm glad you are adjourning it.

**The Premier, Hon. W. McKeeva Bush:** I ask you to adjourn this honourable House, Madam Speaker, until 10.00 am tomorrow.

**The Speaker:** The question is that this honourable House do adjourn until 10.00 am tomorrow. All those in favour, please say Aye. Those against, No.

**Ayes.**

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

**At 3.22 pm the House stood adjourned until 10 am, Friday, 9 November 2012.**