



**CAYMAN ISLANDS
LEGISLATIVE ASSEMBLY**

**OFFICIAL HANSARD REPORT
ELECTRONIC VERSION**

2012/13 SESSION

14 March 2013
Third Sitting of the Third Meeting
(pages 655–710)

Hon Mary J Lawrence, MBE, JP
Speaker

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PRESENT WERE:

THE SPEAKER

Hon Mary J Lawrence, MBE, JP.

MINISTERS OF THE CABINET

Hon Juliana Y O'Connor-Connolly, JP, MLA	<i>The Premier</i> , Minister of Finance, District Administration, Works, Lands and Agriculture
Hon Rolston M Anglin, JP, MLA	<i>Deputy Premier</i> , Minister of Education, Financial Services and Employment
Hon Cline A Glidden, Jr, MLA	Minister of Tourism and Development
Hon J Mark P Scotland, JP, MLA	Minister of Health, Environment, Youth, Sports and Culture
Hon Dwayne S Seymour, MLA	Minister of Community Affairs, Gender and Housing

OFFICIAL MEMBERS OF THE CABINET

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

ELECTED MEMBERS

OPPOSITION MEMBERS

Hon Alden M McLaughlin, MBE, JP, MLA	<i>Leader of the Opposition</i> , Third Elected Member for George Town
Mr Moses I Kirkconnell, JP, MLA	<i>Deputy Leader of the Opposition</i> , First Elected Member for Cayman Brac and Little Cayman
Hon W McKeeva Bush, OBE, JP, MLA	First Elected Member for West Bay
Capt A Eugene Ebanks, JP, MLA	Fourth Elected Member for West Bay
Hon D Kurt Tibbetts, OBE, JP, MLA	First Elected Member for George Town
Mr Michael T Adam, MBE, JP, MLA	Second Elected Member for George Town
Mr Ellio A Solomon, MLA	Fourth Elected Member for George Town
Hon Anthony S Eden, OBE, JP, MLA	<i>Deputy Speaker</i> , Second Elected Member for Bodden Town
Mr V Arden McLean, JP, MLA	Elected Member for East End

INDEPENDENT MEMBER

Mr D Ezzard Miller, JP, MLA	Elected Member for North Side
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OFFICIAL HANSARD REPORT
THIRD MEETING OF THE 2012/13 SESSION
THURSDAY
14 MARCH 2013
12.15 pm
Third Sitting

The Speaker: I will call on the First Elected Member for West Bay to read Prayers today.

PRAYERS

Hon. W. McKeeva Bush, First 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, the Premier, all Official Members and Ministers of Cabinet and Members of the Legislative Assembly, that we may be enabled faithfully to perform the responsible duties of our high office. All this we ask for Thy great Name's sake.

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

And Lord we ask that you would give us wisdom, that you will give us special courage, that you would give us special knowledge, that you will give us special patience to run this race that is set before us.

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: Good afternoon everyone. Proceedings are resumed. Please be seated.

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

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

**PRESENTATION OF PAPERS
AND OF REPORTS**

**Annual Financial Statements Cayman Islands
Monetary Authority 30 June 2012**

The Speaker: Honourable Minister of Education, Financial Services and Employment.

The Deputy Premier, Hon. Rolston M. Anglin: I beg to lay on the Table of this honourable House the Annual Financial Statements Cayman Islands Monetary Authority 30 June 2012.

The Speaker: So ordered.

Does the Honourable Minister wish to speak thereto?

The Deputy Premier, Hon. Rolston M. Anglin: Thank you, Madam Speaker.

The audited financial statements just tabled for the Cayman Islands Monetary Authority for year ended 30 June 2012 is comprised of the statement of comprehensive income and retained earnings, the statement of financial position, statement of cash flows, and the notes to the financial statements.

The statement of comprehensive income will show that the total income earned by the Cayman Islands Monetary Authority during the 2011/12 financial year totaled CI\$18.41 million. The total expenses were \$18.3 million for a net income of \$114,000.

The Cayman Islands Monetary Authority ended its financial year 2012 with \$112.6 million in total assets, \$89.81 million total liabilities, and total reserves and contributed capital of \$22.78 million.

The statement of cash flows show that the net cash used in operating activities for the Cayman Islands Monetary Authority totaled CI\$673,000. The net cash used in investing activities totaled \$423,000; and the cash equivalents of the CIMA as at 30 June 2012, was \$13.4 million.

Madam Speaker, the Auditor General has issued an unqualified, or clean, audit opinion on the financial position of the CIMA for the year ended 30 June 2012.

**Tourism Attraction Board Financial Statements
year ended 30 June 2010**

The Speaker: Honourable Minister of Tourism and Development.

Hon. Cline A. Glidden, Jr., Minister of Tourism and Development: I beg to lay on the Table of this honourable House the Tourism Attraction Board Financial Statements of for the year ended 30 June 2010.

The Speaker: So ordered.

Does the Honourable Minister wish to speak thereto?

Hon. Cline A. Glidden, Jr.: Thank you, Madam Speaker.

In accordance with section 52(5) of the Public Management and Finance Law, I am pleased today to place before this honourable House the audited financial statements of the Cayman Islands Tourism Attraction Board Financial Statements for the fiscal year 2010.

The Cayman Islands Tourism Attraction Board is a statutory board established under the Tourism Attraction Board Law, 1996. The primary function of the Tourism Attraction Board is the general and financial management of Pedro St. James, the Queen Elizabeth II Botanic Park, Pirate's Week Festival, Hell, and the Cayman Craft Market within the Cayman Islands as set out in the aforementioned Law. The operations of the company are regulated by the Government of the Cayman Islands.

The 2010 audited financial statements show that the total income for the year ended 30 June 2010 was \$2,717,709, while total expenditure was \$2,577,751. This resulted in a net profit of \$139,958. The Authority had current assets of \$1,197,054 and non-current assets of \$9,233,688. Total assets equaled \$10,430,742 at 30 June 2010. And the current liabilities were \$1,522,746. The non-current liabilities were \$3,584,135. Total liabilities equaled \$5,106,881. Total equity contributed, capital, and retained earnings, \$5,323,861. Total liabilities and equity totaled \$10,430,742.

Madam Speaker, the entity received a disclaimer of opinion for the year 2010. The Auditor General concluded that management was unable to provide appropriate supporting records in several circumstances. The Caribbean Development Bank loan, which is in the name of the Cayman Islands Government, and was used for the restoration of Pedro St. James, was incorrectly recorded in the Tourism Attraction Board financials. Management was unable to provide an agreement to substantiate the said liability. This contributed significantly to the disclaimer of opinion and the Financial Secretary has subsequently written to the Auditor General to effect a change in the accounting policy for the entity.

Madam Speaker, in closing, I would like to thank the board and management of the Cayman Islands Tourism Attraction Board for their hard work in

producing these audited financial statements. I invite Members of this honourable House and the public to review this report in detail.

Port Authority of the Cayman Islands Financial Statements 30 June 2012

The Speaker: Honourable Minister of Tourism and Development.

Hon. Cline A. Glidden, Jr.: I beg to lay on the Table of this honourable House the Port Authority of the Cayman Islands Financial Statements 30 June 2012.

The Speaker: So ordered.

Does the Honourable Minister wish to speak thereto?

Hon. Cline A. Glidden, Jr.: Thank you, Madam Speaker.

The Cayman Islands Port Authority is a statutory body established on September 15, 1976, under the Port Authority Law. The Authority is principally engaged in enforcement of the Port Authority Law and the Regulations as well as the general management control of all ports within the Cayman Islands as set out in the aforementioned Law.

Members of this honourable House are aware that the Authority currently operates two ports, one in Grand Cayman, and one in Cayman Brac. Operations of the Authority are regulated by the Government of the Cayman Islands.

The 2012 audited financial statements show that the total income for the year ended 30 June 2012 was \$18,950,756, while total expenditure was \$18,401,758. This resulted in a net income of \$548,998. The Authority had current assets of \$3,923,154, and non-current assets of \$49,765,007.

The audited financial statements of the Authority include the Auditor General's opinion. The financial statements have been audited by the Auditor General and a qualified audit opinion has been issued on the June 2012 financials. The basis for the qualified opinion is the related party transactions. International Accounting Standards (IAS) 24 requires identification of transactions with related parties and disclosure of related party transactions and outstanding balance in the financial statements. This is to ensure that the entity's financial statements contain the disclosure necessary to draw attention to the possibility that its financial position and financial performance may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

The Auditor General was unable to determine the entity's compliance with the Standard due to the non-presentation of the declaration forms by some of the officers who are so required by the Standard. The absence of these declarations would inhibit the Au-

thority from identifying, monitoring and disclosing all related party transactions by senior managers and those charged with governance. The Auditor General states that except for the possible effects of the matter disclosed in the basis for the qualified opinion paragraph, the financial statements present fairly in all material aspects the financial position of the Port Authority of the Cayman Islands as at June 30, 2012. The financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Madam Speaker, in closing I would like to thank the board and management of the Cayman Islands Port Authority for their hard work in producing these audited financial statements. I invite Members of this honourable House and the public to review this report in detail.

Cayman Islands Development Bank Annual Report years ended 30 June 2009

Cayman Islands Development Bank Financial Statements for the years ended 2010, 2011

The Speaker: Honourable Minister of Education, Financial Services and Employment.

The Deputy Premier, Hon. Rolston M. Anglin: I beg to lay on the Table of this honourable House the Cayman Islands Development Bank Annual Report for the years ended 30 June 2009, 2010 and 2011.

The Speaker: So ordered.

Does the Honourable Minister wish to speak thereto?

The Deputy Premier, Hon. Rolston M. Anglin: Yes, Madam Speaker.

The audited financial statements just tabled for the Cayman Islands Development Bank are comprised of the statement of income and expenditure, the statement of financial position, the statement of cash flows, and the related notes to the financial statements.

Financial Activities: The statement of income and expenditure will show that the net income from operations earned by the Cayman Islands Development Bank was \$1,590,933 for 2009; \$1,377,664 for 2010; \$1,017,221 for 2011. Total administrative expenses were \$1,653,499 for 2009; \$2,078,824 for 2010; and \$1,794,885 for 2011. The net losses after transfers to reserves were therefore \$62,566 for 2009; a loss of \$701,160 for 2010; a loss of \$777,664 for 2011.

Total assets of the Bank are as follows: \$38,272,391 for 2009; \$36,974,056 for 2010; \$43,678,674 as at 30 June 2011.

Total liabilities: \$32,691,297 as at June 30, 2009; \$32,094,122 as at June 30, 2010; \$39,576,404 as at June 30, 2011.

The statement of cash flows shows that the net cash provided by operating activities of the Bank for 2009 was \$888,556. The net cash used in operating activities for 2010 was \$7,636,896, while in 2011 the net cash used in operating activities declined to \$4,639,623.

Cash and cash equivalents at the end of the financial year were as follows: \$2,425,968 as at 30 June 2009; \$290,545 for the fiscal year ended 30 June 2010; \$3,577,632 for financial year ended 30 June 2011.

Madam Speaker, I am happy to report that the Auditor General has issued an unqualified, or clean, opinion on the financial position of the Cayman Islands Development Bank for the financial statements for all three years that are tabled.

It is important to note that due to the financing of outstanding debt the Cayman Islands Development Bank now has debt totaling \$30.5 million which becomes due and payable in 2015. This is significant not just in terms of the impending majority but because of the impact it has on the interest expense of the Bank. The Bank has a history of high interest costs which prevents it from offering true concession rate lending to any of its customers. This is a challenge that must be addressed for the Bank to truly deliver on its mandate as a development finance institution. Indeed, it will be important to consider rationalising the services provided by the Bank and to become strategic in the way in which it serves the needs of the community and the way in which it is used to facilitate Government initiatives.

Madam Speaker, the Cayman Islands Development Bank has made significant progress in a number of areas, not just in the completion of the backlog of audited financial statements, but also in improving the Bank's human resource processes and policies documenting various procedures and generally improved set of financial management systems and procedures that have been acknowledged both by the regulator as well as the Bank's auditors. Funding, however, remains the most significant challenge as the Bank continues to strive to meet the needs of its clients especially in the current economic climate.

I thank you, Madam Speaker.

STATEMENTS BY HONOURABLE MEMBERS AND MINISTERS OF THE CABINET

The Speaker: I have statements from the Honourable Minister of Education, but I do not know if he wishes to deliver them at this time.

[No audible reply]

The Speaker: Those will be delivered at a later time in the Meeting.

**Private Member's Motion No. 2/2012-13—
Education Fund**

OTHER BUSINESS

Suspension of Standing Order 24(5)

The Speaker: Honourable Premier.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Madam Speaker.

I move the suspension of Standing Order 24(5) to enable Private Member's Motion No. 2/2012-13 to be dealt with during this Meeting.

The Speaker: The question is that Standing Order 24(5) be suspended to enable Private Member's Motion No. 2/2012-13 to be dealt with during this Meeting.

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

Ayes.

The Speaker: The Ayes have it.

Agreed: Standing Order 24(5) suspended.

The Speaker: We will suspend for lunch at this time so that we do not have a broken debate on this matter and the other motions before the House. We will suspend until 2.00 pm.

The Deputy Premier, Hon. Rolston M. Anglin: Two thirty?

The Speaker: Until 2.30 pm. We ask all Members to be back promptly, though, at that time because we have a lot of business to get through today.

The Deputy Premier, Hon. Rolston M. Anglin: And we are working late, and Members were given notice that we are working late.

[Inaudible interjection]

Proceedings suspended at 12.40 pm

Proceedings resumed at 2.50 pm

The Speaker: Proceedings are resumed. Please be seated.

MOTIONS

PRIVATE MEMBERS' MOTIONS

The Speaker: Fourth Elected Member for George Town.

Mr. Ellio A. Solomon, Fourth Elected Member for George Town: I rise to present Private Member's Motion No. 2/2012-13 standing in my name.

The Speaker: Is there a seconder for this Motion?

Capt. A. Eugene Ebanks, Fourth Elected Member for West Bay: Madam Speaker, I beg to second this Motion.

The Speaker: Fourth Elected Member for George Town you need to read the Motion.

Mr. Ellio A. Solomon: Private Member's Motion No. 2/2012-13—Education Fund:

BE IT THEREFORE RESOLVED THAT the Government considers setting up an Education Fund wherein a specific agreed percentage of all Work Permit Fees are placed and used for the sole purpose of providing Caymanians with Tertiary Education, Vocational Training, Lifelong Learning and other up-skill opportunities.

The Speaker: The Motion is open for debate. Does the Member wish to speak thereto?

Mr. Ellio A. Solomon: Madam Speaker, again, rising to make my contribution, I bring forward this Motion Private Member's Motion No. 2/2012-13—Education Fund. Again, for the benefit of everyone, it reads:

BE IT THEREFORE RESOLVED THAT the Government considers setting up an Education Fund wherein a specific agreed percentage of all Work Permit Fees are placed and used for the sole purpose of providing Caymanians with Tertiary Education, Vocational Training, Lifelong Learning and other up-skill opportunities.

Madam Speaker, I believe that there are very few, if any, among us that would raise any challenges as to the importance of education. I think too often we have to debate as to which one is most important, but even then, there is consensus that when it comes to an issue such as health and education, that education is perhaps second only to health. I believe an argument could be made that you obviously have to have good health in order to seek an education, but, that said, the retort and a sensible one, is that with education one can take the necessary steps to continue to improve upon their health.

Without a doubt, I believe we all recognise how important education is. From personal experience, having been (and I say fortunately) and having had the opportunity to grow up in very humble begin-

nings and recognising the many challenges that are faced in those beginnings, those challenges in many circumstances, if not all, are overcome by what many would term the great equaliser. And that is education. Right now as we speak, some of those same neighbourhoods that I would have grown up in exist today. Many parents are out there on a daily basis doing (amongst other things) what they can to aid their young ones, middle-age as well, and even somewhat older persons, in terms of being able to further education because of the fact that education is one of the ways to better yourself, better your circumstances, and I believe myself and many in this community are evidence of what can be accomplished when we can continue to further our education.

I will stress that there are many ways in which to educate yourself. I think it was Mark Twain who said he never let his schooling get in the way of his education. So, yes, there are many ways to educate ourselves, but particularly speaking about formal education, there are those out there every day taking active steps to ensure that they can provide that education for their loved ones. Not only have they heard about it and read about it over many decades, but many stand as living testaments to the great equaliser that comes about through education.

I remember being very early in the workforce and facing some challenges that I believe many of our Caymanians face on a daily basis where you are going to be placed in a competitive position with those who are either your peers or not your peers, either your nationality or not your nationality, but one thing that never goes away, is the fact that if you know something which is a fact and you can state it, they can squirm as long as they want but you have on your side that you know the facts, you have done your research and they cannot argue with it. So perhaps, just one example of the fact that education is a wonderful equaliser.

No matter where that individual comes from in our community, in one way, shape or another, that education provides him or her to be equal in the workforce and, thus, hopefully subject and equal insofar as the opportunities that exist in this country for them to be able to seize.

It has been accepted, the equalisation that can take place from education and seeing it as that vertical step, that way out of some of these disadvantaged areas. But even for persons who do not find themselves in a disadvantaged position, education is still prized by many persons as being extremely important. It is one of those things that even insofar as the home environment, as parents or peers, we can take our time and convey and engage in that knowledge transfer to better those around us in our community and definitely insofar as ourselves.

Recently, there was a lot of debate on how we actually go about providing opportunities for tertiary education, lifelong learning and other up-skill opportu-

nities in this country. Standardly, what we find is that, from a Government perspective, we end up where certain monies would be allocated through the Government to the Education Department under the Minister of Education for the area of tertiary education and if there is any lifelong learning or up-skill opportunity, from a Government perspective it gets allocated and I would say, Madam Speaker, in the millions of dollars.

In anything that I say today I do not seek to reduce, negate in any way at all, the amount of persons who have benefitted as a result of this scholarship programme that Government has had for quite some time. Many people continue to benefit from it. But what I can say, insofar as the Government programme for the tertiary education that would fall under the Minister responsible for Education—which includes the many Ministers past—there has always been a tremendous degree, a deficit if you like, in terms of what is truly needed.

Many of those persons, if not all of them, do not get full scholarships from the Government. It is a case where if many of them need \$45,000 for the year, perhaps they are getting \$20[,000]. So, again, many parents, and/or an institution, somebody has to go somewhere to get that additional assistance to send their child to college. But, that said, there are persons who are benefitting nevertheless from the Government programme insofar as education is concerned.

We know there are other challenges, not just in terms of the actual funds available, but also the challenges in terms of flexibility allowed in terms of where those funds actually go. A hot topic of debate was the subject of the Nation Building Fund where, amongst other things, the Nation Building Fund in itself was being used in many respects to provide persons with some of these tertiary education up-skill opportunities or lifelong learning opportunities that perhaps in one way, shape or another would not have been captured under the parameters of this now tertiary education programme provided through the Ministry of Education.

So, Madam Speaker, this Motion asks for us to set up an independent education fund that would be able to stand there so that anyone inside of the Government or outside of Government would be able to have a sense and a comfort as to where their funds are going to go, how those funds are going to be managed insofar as this education fund is concerned.

There are persons right now, if you actually look at it from a Business Staffing Plan Board, they would come in contact with many applications right now that are being put in place or sent in by the private sector where I can say that individuals are identified on almost a weekly or monthly basis. They will say to you that a Caymanian is slated for a specific position and that they are deemed to be a manager in the next year or two. Oftentimes you will find that that

same Caymanian that has been earmarked to be a manager, they themselves perhaps do not even know that they are down listed to be a manager.

Many companies do it. We will perhaps deal with those groups first. Many companies will do it and put it into the business plan because it is their way of ensuring that they are going to be able to get the work permits they need in this country and, therefore, they have identified, somewhat conveniently, that there is a Caymanian slated for all of those positions.

Amongst other things, the Business Staffing Plan Board is supposed to follow up and make sure that these sorts of things happen. They are supposed to, ideally, identify that this particular Caymanian, that is now listening today as we chat, has been earmarked for a managerial position to which he or she does not even know that there is a clear set course in terms of what they need in respect to schooling, education or otherwise, up-skilling to ensure that when that particular magical date arrives he or she can get the job. And I am going to say, Madam Speaker, again, that there are many persons who are not even aware that they are on the list. I will put it as a flag, Madam Speaker, that I think in many of those circumstances there should be a legal obligation that they have to be fully notified that they are on that list, that they are flagged for a specific position, and the course for that Caymanian to be able to get into that particular position should be very clear.

Perhaps there are some that will argue, *Oh, that's being done already*. Madam Speaker, *shoulda been, coulda been, woulda been*, isn't helping anybody because there are a lot of Caymanians out there right now that are not advancing in the workforce and that, perhaps, is one of the primary reasons why it is not happening.

You have heard about the situation of many token Caymanians where, again, they perhaps hire one Caymanian to come and work and do a little consulting work so they can justify the seven other work permits that they need. Again, it is not to identify or even to try to suggest that this is the habit, *modus operandi* of all of the companies. That is not the case. But as legislators we have an obligation to ensure that Caymanians are going to be given an opportunity to be able to advance themselves in the workforce. The discontent of so many Caymanians when it comes to being in the workforce, being set aside, being marginalised, being disadvantaged because at the end of the day there are, arguably, a lot of laws in this country that do not aid and protect them. The number, I dare say, is huge.

When you think that perhaps even making it mandatory that some way, shape or another, that person has to be identified as the one who is going to take a particular position and see a clear course set as to how they are going to achieve it, and if they need the education, provide the funds if it takes just a

simple stroke of a pen in order for it to happen. The fact that it has not happened to date is an atrocity.

I believe that many of our young middle-age and some of our older Caymanians are waiting right now for someone to take a pen, take the time and put it in, so that they can make a huge difference in their lives. But, again, Madam Speaker, there is always a lot of lip service that we tend to lend to those things. Then we stand on our feet and argue and justify why it could not be done, should not be done, didn't have the time to do it, we'll get to that next week, next month, next term. But there are very simple things that can be done to ensure that our people are going to be given the opportunity to truly advance within the work force.

Madam Speaker, for clarity, I believe in a competitive environment. I believe that at the end of the day Caymanians can, and will, compete on the turf with anyone. So many of our young people go away off to college and compete on somebody else's soil and do extremely well—better than many of those persons who refer to that "turf" as their home turf. So when they can go and compete and come back with that level of grades and education and they sit in the work force of this country and cannot advance because someone has not taken the time and pushed aside whatever consideration is required to put in legislation, something perhaps as simple as what the Business Staffing Plan Board has to do and what they have to tell the companies to do, again, Madam Speaker, it is a shame and an atrocity to those persons who are looking, whether it's horizontal or vertical movement in the work force.

So, we have not just persons who are going to find themselves in what we refer to as disadvantaged areas seeing it as an equaliser and as a way out because it is. And not just them, Madam Speaker, but even those who are not subject to that, who may have found themselves in a bit of a middle ground (if you like), still see the need for education, still see the need for constant advancement, but they are looking for us to put the proper pieces together at the same time to make sure that that education actually matches up and meets opportunity so that they can advance themselves. I am going to say, Madam Speaker, that if we do not take it seriously, if we do not do something about it, we are going to create a very, very serious problem in this country.

I think it was Reagan who said that if you think you have a problem right now with crime, then wait until you have a situation when all of these persons without degrees are committing them. And that's paraphrasing, Madam Speaker, but that captures the true essence of it I believe.

If you think persons committing crime without education is a problem, then, try when it is persons with education that are committing the crimes. We have an obligation to make education, make schooling match and meet opportunities some day. So, I therefore hope that no one in this honourable House or

otherwise is going to make any consideration, any dismissal of how important that is that we take that seriously and we do something about it.

Education right now, even from a funding position, many Ministers; the Minister today, the Minister past, and Ministers in the distant past, would have been in a position where they would have spent the resources available to them and tried their best to economise to see how many persons they could give an opportunity to for tertiary education with the limited funds we actually have. As I have stated publicly many times, I don't believe anyone gets into that office with the intention to destroy this country. It may happen unwittingly; but I don't think that's their intention. I believe they all went in there trying to make sure that they could dice it up as best they could to provide opportunities, thus, Madam Speaker, amongst other things. We end up where a person needs \$45,000 a year for two or three years (as an example) to get themselves an education, but they get perhaps \$20,000 instead. Almost standard Government, we need \$45,000 to buy a truck, and they are given a \$20,000 approval. You can't get half a truck, Madam Speaker. Half a truck doesn't work.

And in the same way, Madam Speaker, there are persons out there who have paid their taxes relying on the Government to be able to aid them in some circumstances insofar as getting an education for their children, particularly those who have for one reason or another difficulty in doing it themselves, and to get half a truck, Madam Speaker, doesn't quite carry the load. To get half the education doesn't quite aid the situation.

Oftentimes you will find that, yes, it is assistance and something is better than nothing. But I believe we have an obligation as legislators to look and find ways to be innovative, be creative and see what we can do to 1) provide education opportunities for more Caymanians; and 2) (for want of a better expression) a more full scholarship and full educational opportunities for Caymanians. We would not want to increase it, Madam Speaker, just to use the magic number of 100. We wouldn't want 100 students who are now being partially funded to grow to 150 with even less funding just so that we can say we are increasing the number of persons who are getting an opportunity for education.

Some would argue, in that particular case, of 100 persons getting a full-funded education is perhaps even better. Again, that's arguable, Madam Speaker. But I think what we cannot disagree with is that we need to work, 1) to attempt to educate more Caymanians; and 2) to try to reach as much as possible where that is a full opportunity for education.

Madam Speaker, reverting back for a second on the Business Staffing Plan Board: There are companies that find themselves, through many of the policies we have, incentivised or obligated to make contributions insofar as scholarships. That's another

route. Many of those companies will, on their own, offer scholarships. But what you tend to find is that if it is an accounting firm they are not providing education opportunities for someone who wants to go into plumbing or electrical, or they are not providing it for someone who wants to study law. They are providing it for someone who wants to study accounting.

So, we have that. And we have the limitations, for example, of, *Well, we are prepared to actually find someone to give them a scholarship, but is that particular person here at this particular point in time? And do they want this particular type of education?* So there are challenges, Madam Speaker. Yet, they are arguably incentivised in some cases to fund education, and in certain circumstances, obligated to do so. But what avenue have we provided them, Madam Speaker?

I am going to suggest that if we can have an education fund it means that those companies, in terms of the immediacy if it's 100, 200, 300,000 that you have for the scholarship, it can go immediately, from a Business Staffing Plan Board perspective, into an education fund. It no longer has to be sitting there waiting, wondering, looking for someone; it can go there immediately to be able to help aid our Caymanians insofar as education is concerned. That's when there is a situation of being incentivised or there is an obligation to do so. The companies no longer have to argue. The Business Staffing Plan Board can say, *You have put in. This is who is going to get this particular position. You say this Caymanian is actually slated. That scholarship amount comes up to \$250,000 please feel free to deposit the funds to the Education Fund and bring us a receipt.*

Madam Speaker, some may want to say I am over simplifying it. But I believe it captures the fact that it's going to be that much easier to be able to do so.

I know there are often times many actions taken to try to incentivise business persons who want to invest in the country, who want to live in the country. There are many things and many actions that are taken to try to provide that. The same Government that I am staring at, the same Government I was a part of, Madam Speaker, we tried that in many instances as well. We tried to make sure we could incentivise persons and investors.

I believe that with an Education Fund we would be able to do that. We would have something that no one is saying that any particular individual even coming into the country, investing or otherwise, is not writing a cheque to any one Government member. They are not being perceived as writing a cheque to any one political party because that party happens to be in power at this point in time. They would be writing a cheque to an Education Fund. And that Education Fund should be run as independently as possible.

For persons already in the country . . . and I am not going to get into name-calling, Madam Speaker. But there have been persons in this country who have been very benevolent in trying to advance Caymanians. I dare say they are willing and prepared to write millions of dollars to the Government to be able to aid in that. But even that creates a challenge because they write the \$2 million to the United Democratic Party Government, to the PPM Government. No, Madam Speaker. It doesn't look right. There are a lot of hurdles and challenges, people are even concerned about the very perception of that.

But have an independent Education Fund and the person who is prepared, as we have already proven we have in this community, I would dare say that they are prepared to write the cheque to the Education Fund perhaps in the millions of dollars. In fact, I spoke before (months ago, arguable) having the discussion about this Education Fund. I had at least three companies who said that without a shadow of doubt if there was an independent Education Fund, completely neutral, they would have no problem making a contribution to that fund. I think that would be from many companies in this country, and I think it would be the same for many individuals.

Whether they already reside here or are persons coming to invest here, who, amongst other things, want to show that they care about the country, they are willing to write a cheque if you can have something independent and neutral that no one can accuse them of being partisan, that it went to the PPM or the UDP, or another group. Give them the option of being able to write it to a clear, independent and neutral thing, such as the Education Fund.

I believe if we do that we will see additional funding.

Madam Speaker, another challenge that we have in Government is that all of our monies just get lumped together and we throw it in and there is arguably very little management of those funds. When the country can understand that we can have reserves in the millions, whether it is \$10, \$20, \$30, \$45, \$95 million sitting in a regular bank account, perhaps making .001 per cent, ask yourself, *Is that really the best way to manage the people's money?*

Which individual would have (let's use the magic number \$95 million) \$95 million of his or her money sitting in a regular savings account in any of these financial institutions making .001 per cent? And when I can pick up the phone and ask the Treasury and they can tell me that that is precisely what is happening with the people's money, I dare say that we have seriously . . . we are letting down the people of this country. Take those funds and try to invest them, maximise them. There are safe-proof investment opportunities. Take the funds invest them properly so that if you have been given \$95 million that somebody can come back tomorrow and say, *We no longer have \$95 million, we have \$100 [million], because we actu-*

ally made some interest. At .001 per cent, you are not making any interest.

To highlight that again, Madam Speaker, many, many different things that Government continues to do wrong, but, again, *It is what we found and let's not really rock things too much. Don't rock the boat too much; let's just leave it the way we found it. It's been working for us for years.* I think that is completely unacceptable. I also dare say, just like the \$95 million, for example, sitting in one account today, in 2013, the year of our Lord, is unacceptable that, again, even the way we handle money insofar as education can be improved. And that if we handle it differently we can get additional funding, more than we actually have now, to 1) increase the number of persons who can get scholarships, and 2) in addition get fuller scholarships (for want of a better expression). I believe those opportunities are there for us to grasp.

It is my humble opinion that there needs to be a serious re-look at the way Government does business. I could not believe that in 2013 there are going to be so many millions of dollars sitting in an account collecting .001 per cent. Somebody is probably starving in the streets and you could take \$95 million and anybody who knows (as is said), has had a half-day schooling in investment, could make \$5 million probably by the end of the month which you could probably then turn out, assuming you didn't really care about it, which obviously you don't if you are willing to make .001 per cent. You could take the \$5 million and go and help someone who really needs to pay their mortgage, pay their electrical or needs to actually put some food on the table. It is absolutely ridiculous, Madam Speaker, that, we are going to sit here just on reserves, just as an example, and so many other accounts, and make such ridiculous interest when we could be investing the funds properly.

So, I talk about that investment, Madam Speaker, to say the same thing about our Education Fund. If there is now an \$8 million set aside to go into the Ministry of Education, what happens with the funds? Are they sitting there being reinvested so that we can maximise returns and opportunities on this \$8 million? No? I am going to dare say that that is probably sitting in just one of the regular bank accounts like every other account and gaining something like the same .001 per cent.

But, even if I were to take just that, Madam Speaker, and we ended up with a situation where it is . . . you took the funds that were even now earmarked and engaged in the same expenditure but tried your best to maximise in terms of where that was even being invested, what opportunities do we have to be able to at least build on the little bit that we are now spending?

So, we see that we can increase the opportunity insofar as donors, again, whether those donors are persons who are local, and it doesn't have to be a big investment, Madam Speaker. I can say it could be

a regular Joe, it could be a regular Joe who gets up and says, *I believe it's the right thing to do, so I am going to put [\$]1,000, [\$]5,000* (it doesn't matter what it is), and he or she can do it in a very neutral way saying I want to help aid and fund someone insofar as their education is concerned.

The donor, again, can be a person who resides here who is very wealthy who wants to put in the hundreds of thousands or in the millions. Or it could be someone who wants to come into the country, amongst all of our other immigration and investment programmes that we have, we can create the opportunities to have those persons come in, invest, and, amongst other things, education, which clearly, I hope, we all agree, is very, very fundamental.

I raise the issue about the reinvestment because I believe that if we can have an Education Fund and we can have persons responsible for that Fund and the reinvestment of those funds, Madam Speaker, I think amongst other things it is going to allow it so that whether it is [\$]8 or [\$]80 million, it is not going to sit there in an account and collect .001 per cent, but it is going to be invested in a good way accruing interest and allowing us to be able to provide more scholarships.

Something else happens, Madam Speaker, if you do now get a scholarship from Government, part of the challenge is that in many instances what about the repayment of those scholarships. What happens with that? Do you get a repayment? There are always those kinds of challenges, as well, that Government has, just like we had to face, even with respect to housing, because Government . . . you tend to find elected officials not necessarily wanting to look and sort of even suggest that anyone should pay something back. But again, those are potentials, those are opportunities that you would have depending on, perhaps, who is getting the scholarship and the financial means of the person who is getting the scholarship if they can perhaps in the long run afford it.

When the circumstances fit, you have the opportunity where an individual who is given a scholarship may very well have an opportunity to refund it because many of us, I would say, if we find ourselves, whether, again, it's from a disadvantaged years or one somewhere in the middle of the plateau, if we are going to be educated, for example, to be a doctor or a lawyer, and we find that tomorrow we come out and we are a doctor and a lawyer I don't think many of us would have too much of a problem, at least contributing something back into an Education Fund to be able to help the next person, to be able to help the next guy. I believe an Education Fund helps us with that.

In addition, Madam Speaker, you will see that the Motion calls and starts and says that not just tertiary education—and I want to stress not just tertiary education—but also stress vocational training, lifelong learning and other up-skill opportunities. I stress it,

Madam Speaker, because it is not just about providing education to someone who may be just coming out of school and who has reached the academic scholastic position of being able to say, *I can now go; I can qualify to become a doctor a lawyer, I need the funds for a three or four year degree.* It is not just about those persons.

Again, we see that as one of the areas where again this Government would have taken the position that even insofar as the Nation Building Fund trying to capture some of those people that fell into that little lacuna, that little gap that existed. And again, yes, there will always be criticism as to whether you captured it or not, but I would dare say that if you can have it being run through an Education Fund, in an independent neutral manner, perhaps some of that criticism will go away.

But that is what happens as well, Madam Speaker, when you don't have the vehicles to do certain things. At the end of the day, there are persons who are not willing to sit down there and allow things to fall through the cracks, but are going to be bold enough, audacious enough to try to do something about it. I am hoping and believing that we can all view, that, in one way shape or another, an Education Fund is a vehicle, an opportunity for us to do just that.

So, it also talks about vocational training for those persons who may already be in the workforce, again whether it is plumbers, electrical, to be able to provide them with opportunities as well. Someone right now may actually be in a position where he or she could take one more certification course and it might only be a certification course for another three months. It might only actually cost him \$2,000 for the course. And if they can get that course it's the difference between a promotion and not getting a promotion; it's the difference between keeping and not keeping their job; getting a job and not getting a job. As simple as that! These are the opportunities that need to be looked at, whether it is about lifelong learning opportunities or vocational training or other up-skill opportunities that exist in the workforce where we can fill the gap and opportunities for Caymanians.

We all talk about it, Madam Speaker. I think the Minister will say there is not an employment problem, there is an unemployment problem. Well there is an unemployment problem. And part of it, Madam Speaker, is about the up-skilling. One of the things the now Minister (who has been Minister for quite some time) sent off, looked at a course in Chicago, how do we up-skill some of our people? How do we get them up-skilled? How do we match them, how do we grade them? How do we get all of these levels sorted out? A lot of complications, Madam Speaker, but a lot of that, I think anyone will agree, also talks about what about the funding? What am I going to give the Minister for the funding? He needs some funding because he can only do so much with what he has. And that's the Min-

ister who today is trying, and the Minister in the future who is going to be trying.

So, Madam Speaker, we need to get more funds in the country. If education is truly important to this Government and Governments of the future let us not pay lip service to it. Let us be innovative and creative in whatever way we can within the legal means that exist to be sure that we are going to maximise the funds that exist for education. We have an obligation to do it. When you can say that you might have \$40 million sitting that has been accruing for a disaster recovery fund, or some other fund, some environmental fund, but you don't have it accruing in the millions, in the tens of millions, for something as important as educating your people, then perhaps the writing is on the wall, and perhaps we have been weighed and found wanting, that we really truly have not done enough to try to maximise what we can do to get funds into this country, into a fund to be able to fund education.

Madam Speaker, one of the things it says, which is crucial, is talking about that the Government considers setting up an Education Fund wherein a specific agreed percentage of all work permit fees are placed and used for the sole purpose of providing Caymanians with these educational opportunities. So, let me turn to that as I seek now to conclude the first part of this debate.

There are those who are going to argue that this is all nonsense, that this is all rubbish. Why are we trying to fund education through a percentage of work permit fees? It's all Government's, all the money is coming from the same place. Madam Speaker, I don't look at it that way. It is not that simple. And I am going to suggest that anyone's desk or mind that is that cluttered needs to take a revisit, clean things up so they can move themselves forward. There needs to be clarity, Madam Speaker.

Nobody runs business that way. And nobody should be running Government that way. Let's use a company, Madam Speaker, which provides electrical services. Very simple for us to understand! He/she who owns the company is going to go out and provide electrical services, they run wires, they put in plugs, they help you to do all the wiring for your house or building so that you can satisfy the requirements of the Government and at the end of the day you can call CUC get the power and your office, your building or your home now has light.

So, we need to see the light now in a different way. If he/she as the owner of that company, or a board, finds themselves saying, when they look around at all of their resources, *Hold on a second! We have a commercial building (or an industrial building) that needs to be wired. But we recognise something. We realise that in terms of getting this new contract to do commercial or industrial building that we need someone who can do EMT work.* That's when the build the little metal pipes as opposed to doing PVC.

We need to bend the EMT pipe, but we don't really have anyone with that expertise in house to do that. What does that company have to do? The company has no choice but to go outside of their company to resource it. They can hire a full time employee; they can temporarily hire someone from another company who can do it. There are different ways they can do it, Madam Speaker. But the bottom line is, if they want that contract which provides additional funding and opportunities for the business, they have to get that skill in house in order for them to advance.

It's no different with the country. The country's position right now is that if we are to advance and go forward in certain areas, whether it's financial services, tourism, or any other industry we may have, or are creating—medical tourism—what you may find is that at least temporarily you do not have the expertise in certain areas at this particular point in time. So, just like the company goes external, then perhaps the country in many of those instances goes external as well, and they bring those resources in house.

I want to say that when they bring those resources in house, the company goes out and says, *I want to avoid the circumstances from ever arising again where, when we get a commercial contract, or the industrial contract, and we need to bend EMT, let it be a situation where never again does this company have to go outside to get a resource.* They recognise that with having to go outside normally you pay more, normally there are learning curves, so they want to make sure as much as possible that they can maximise that knowledge transfer so that the next time the company gets a similar contract they will not have to go external to be able to do so. I believe simplistically put, Madam Speaker, it is nothing different insofar as the country.

It has to be a relatively fair statement that if we are importing a labourer in a particular environment that either in this country there must be something lacking, because someone doesn't want to do a particular job, or someone, you are saying, is unable to do a particular job because they are lacking in some skill or something otherwise. Otherwise, why then are they going to bring in an accountant if you have 100 accountants already here?

So, without getting into the complexities of immigration, which I am quite happy to if we want to deal with that in the wrap-up, if any Member feels inclined to do so. Madam Speaker, I believe simply put, it is a matter that at the end of the day if you have gone outside for the resource then let's hope the reason why you are doing it is because some way shape or another, some skill, something somewhere, there's a deficit of what is happening on the inside of the house which, Madam Speaker, I will stress, is why you get complaints from so many Caymanians because they are now saying, *I'm unemployed! And I have a law degree, or I have this degree or I have this skill and I see that you are importing someone into the*

country and I can do the job. That is why I spoke earlier about fixing this big, huge, gaping hole that perhaps exists in the Business Staffing Plan Board or policy or system that exists in the country.

So, Madam Speaker, I believe that just how the company would do what it can in good wisdom to try to engage in some knowledge transfer so if this person is going to come in and work with us for three months in this company to aid us insofar as their commercial or industrial wiring as it relates to EMT, he/she or the board of that company will do everything they can to say, *Let's get him or her working with other members of staff so that there is a transfer of knowledge that when he or she leaves in three months I have up-skilled my people in this company to be able to do EMT work in the future.* I dare say that is exactly what a good, prudent, fiscal company is going to do.

So tell me, then, why a country should do anything different.

From an Immigration perspective, Madam Speaker, if you are recruiting in then that means there has to be a deficit somewhere. So here is where I am saying it is equally as important that you provide the funds as it is where you get those funds from. When those resources come in, those are persons coming in providing skills, paying work permit fees. I am saying that a percentage of the same work permit fees, the tax levied on the person supposedly who have the skills you are saying your people do not have, then, take from that tax. Take from the same tax to be able to help educate your people in the workforce, up-skill them, whatever is necessary to make sure that we can fill the gap that you say exists.

So, in Education, Madam Speaker, and on Immigration, Immigration is a very important issue in this country.

The Speaker: Honourable Member for George Town, I don't like to cut short your debate, but we are running out of time, and you have four motions to consider, a number in your name. So, if you could sort of wrap it up so we can get on to get the views of other Members on the Motion and get possibly to a vote before the hour of closure.

Mr. Ellio A. Solomon: Well, Madam Speaker, I am going to respectfully say that I understand we have two hours. I am almost finished, but I understand that we have two hours and the Government even said they were willing to work late tonight.

The Speaker: But we have four motions, and 15 people to speak on each one, and a number of Bills that have not been concluded. I am just trying . . . we just have one more day of this meeting and we do need to get a lot of this finished and we want the opinions of the other Members too. I am not trying to curtail your debate, but I wish you would sort of condense it a bit.

Mr. Ellio A. Solomon: Madam Speaker, fine. But let me just state for the record as well that, again, as I have stated numerous times in this House, I get paid to come here and to attend Parliament. And if the Government on that side wants to have the Government run straight from now until the House is prorogued, I am happy to come here, because that is my obligation to this country. So please don't limit it to three days for this purpose because I think we have an obligation to come here and do it. But, that said, Madam Speaker, I am going to be very succinct.

Immigration in this country is a very, very serious issue and I want to stress that, amongst other things, not only do I believe that it is an accurate way and a proper way of apportioning the funding for this Education Fund, or one of the ways because as I have stressed already, there are many different ways that we are going to put monies in the piggy bank, many different ways we are going to put money into the Education Fund. The Government's way that I am proposing, Madam Speaker, amongst other ways, is just through the immigration fees.

I want to stress another social benefit that also comes from funding it through the immigration fee. We recognise that anyone who has had a chance to work for a company that pays very careful attention as to the intricacies of running that company, and definitely anyone who owns a company will recognise that clearly there is going to be a circumstance of saying that if you own that company you are going to recognise that there are some challenges insofar as how you are actually going to balance things out. And my position insofar as immigration, is that the company recognises that he or she, the board of directors for that company, will always perhaps find themselves always requiring some skill or another that may not be in house. Chances are any company that is fluid, dynamic, constantly changing, constantly growing, is going to find themselves in that circumstance.

So, Madam Speaker, I believe it is no different insofar as this country is concerned. We have made tremendous strides over the last several decades to become the fifth largest financial industry in the world, have a wonderful, sterling tourism product, and other opportunities that continue to grow even as a result of actions taken just recently by my Government. But it is a case that we are fluid, we are dynamic, constantly changing, and I say that because there has to be an appreciation that at least for the foreseeable future there is going to be a need for transient workers, there is going to be a need for persons to come here via immigration to be able to lend their skills and aid in one way, shape or another in the growth of this company. Something that they might possess can aid us in one way, shape or another.

If we accept that there is always going to be the need for those transient workers, I believe socially we need to do what we can, not to create divide be-

tween transient workers and local workers. We need to have fairness and equity and provide opportunities for Caymanians to advance and at the same time there needs to be a case where you are not going to have the transient workers discriminating against Caymanians and vice versa. You need to have that harmonious relationship between the two.

I believe that even insofar as the way we fund things, that that in itself provides us with a reason for that equal opportunity. That when you even take a percentage of the work permit fee those transient workers in that same way who are now being through those particular work permit fees, are making a contribution towards education. And even from the feedback I would have received when discussing this on the talk show or otherwise, many Caymanians looking on are going to feel and see the evidence that the transient worker who is coming here, claims or otherwise, Madam Speaker, when they come here and work, that they are, by the Government's legislation, being mandated insofar as funding education opportunities for Caymanians.

I believe, Madam Speaker, not completely, but I think it works and it takes the journey in the right direction, as they say, 'a journey of a thousand miles starts with the first step.' I think it takes the first step in the right direction insofar as funding education and also about dealing with a very important social issue, and that is that if we are to continue to advance as a country it is about one promoting our Caymanians first and foremost, giving them the education and the opportunities to match that education and, at the same time, creating a harmonious society with those persons who come to live among us, whether for a day or for a year or longer. Failing to do so, Madam Speaker, we will have a problem.

Madam Speaker, I wish to say that perhaps another concern, just before I take my seat, would obviously be the fluctuation you could potentially have insofar as what is the work permit fee and what is that percentage. Madam Speaker, I am not standing to my feet today to say what that specific percentage should be which should come from Immigration. I would hope that whatever that specific percentage is, that when you dice that percentage and you now start putting that into an Education Fund, it is definitely not going to be anything less in terms of its contribution than what presently exists insofar as tertiary education through Government. It definitely can't be anything less.

I would be the first one to put my hands together if it gives you something more. But it definitely cannot be anything less. And, yes, I don't think there is any perfect system. There may be variations one day which I am pretty sure there are some who would applaud that. But there may be variations one day where there is a negative variance where the numbers in terms of work permits have dropped and now that percentage does not equate to what you are now do-

ing in scholarships or what you now need in the future.

Then, Madam Speaker, for those who see that, they would agree that the present system does exactly that today. So, to fill that gap, if that does exist in the future, Madam Speaker, I don't think that requires too much brain thinking, not too many cells have to be burnt on that—we burn more than that in a social hour on a Friday evening. It does not take too much to figure that out on how we can fill that gap. And if there is a positive variance in terms of work permit fees, and it increases the amount that goes into the piggy, then that's good. That's what should be happening.

So, Madam Speaker, succinctly put (and well under my two hours, Madam Speaker), I wish to state in summary that that is my proposal there on the Education Fund and I obviously look forward to whatever comments, questions or concerns Members may have so that I may deal with it adequately in my wrap up of which I know I am afforded two hours and if necessary I will employ to ensure that I bring that result about.

Madam Speaker, with that, we smile at each other cheerfully and thank you very much obviously for the opportunity to present this Motion. I look forward hopefully to the comments, questions and/or concerns of the Members, and hopefully, I could be so bold and audacious, just as we've been with one of our other funds, to say that I hope I can get the support of Members on the Motion.

Thank you very much.

The Speaker: Thank you, the Fourth Elected Member for George Town.

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

Honourable Leader of the Opposition.

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

I just want to offer some brief remarks in relation to this Motion. The proposal is not something with which I would disagree. Having a segregated fund for education is something that I think has a great deal of merit. So, as far as that goes, it has my support.

The Member has spoken extensively about the merits of it and how it would work, and I don't take issue with much of that. What I do have some concern about is that the Member speaking was a member of the Government backbench for three and a half years. When he sat over there he certainly had the ear of the Government, had the ability to influence Government policy.

This Motion is coming to the House now—two weeks before the House is to be dissolved on 26 March. I understand, Madam Speaker, because I have been through this cycle three times now, the importance of making the electorate aware of where you

stand on various issues. I will not be so uncharitable as to describe it as blatant electioneering, but I do wish to call to the attention of the Member and to this House, that any resolution passed by the House this evening in relation to this Motion has a life of exactly two weeks. When the House is dissolved, all resolutions of the House fall away and have no effect on any subsequent administration.

So, although the exercise that we are going through this evening, and the very eloquent speech that has been given by the Fourth Elected Member for George Town, is all good, makes a great deal of sense, the reality, Madam Speaker, is that it reminds me of something what an old George Towner used to say when there was lots of noise and so forth. "So loud the thunder, but how little it rains!" because that is what we are going through this evening in relation to this Motion—a lovely exercise in explaining to the country how very good a segregated education fund would be and how this would improve the lot of Caymanians down the road.

In fact, Madam Speaker, if that is to be one of the planks of the UDP's platform, I think he has laid a very good foundation for it. And I don't take issue with it. Everything he said makes very good sense. I just want all of us to be very well aware that while we are discharging our duties as legislators, spending taxpayers' dollars down here keeping the House operational, motions which are passed now—unlike laws—have no effect beyond the 26th of March. And that is the reality that we face.

So, Madam Speaker, I, and the Members of the Opposition will vote to support the Motion. As I said, I don't think there is anything the Member has said with which we disagree; I just want us to be aware that this is really an early start to the election campaign and really good practice for Members as we seek to address these issues. But it will have very little effect on what another administration will do when we get through the elections on 22 May and a new Government is sworn in.

Thank you, Madam Speaker.

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

First Elected Member for West Bay.

Hon. W. McKeeva Bush: I listened to the Leader of the Opposition, who, himself, gave an eloquent dissertation of why something shouldn't be done. And with some tongue in cheek, offered some criticism to my colleague, the Fourth Elected Member for George Town, about when he brought the Motion and when he didn't bring it. He doesn't seem to remember that the only motion he brought was one talking about doing away with the iguanas!

[Inaudible interjection]

Hon. W. McKeeva Bush: Yes! Well, that didn't get you anywhere, did it? Well, we shall see.

Madam Speaker, the Member seems to relish in the things he just mentioned. And, of course, the things he talked about when he was on his feet. The truth is, the Member really hasn't done anything for this country. That's what is important. He hasn't

So, Madam Speaker, whether anything is done with this in time, certainly I believe the Member had it on the agenda for some time and we didn't get to it. And, Madam Speaker, certainly, if the United Democratic Party . . . if it is not done, if nothing is done about it, whatever can be done about it, if it deems to be policy when we debate it in the UDP, we certainly would try to do something about it. But I am not going to stand here and allow the Leader of the Opposition to give some dissertation about timing.

One of the most important motions, Madam Speaker, that I brought, had to do with the national history. Similar timing; couldn't get it done, but we brought it nevertheless. I had to maneuver around to put three-in-one motions to get certain things done. Today we did get that national history written and it wasn't done until a new Government took over. Whether that is the Government across, whether that Government consists of somebody else, if this proposition . . . certainly some very good points have been made. If the proposition is deemed to be, whichever Government comes in, then, they should look at it.

Certainly, Madam Speaker, whether [or not] it falls away by a vote, it certainly won't fall away from sight because it would be contained in the Hansard and certainly a record will be made in other areas. And it is something good when we do it for the good of the public.

I certainly support it.

The Speaker: Thank you, First Elected Member for West Bay.

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

Minister of Education.

The Deputy Premier, Hon. Rolston M. Anglin: Thank you, Madam Speaker.

I listened very carefully to the Motion that is before us. I am still left trying to understand a bit of how this is going to work and do two things. The Member spoke to a more full scholarship, and to get more scholarships. This is simple math. Right now the Education Council spends right around \$9 million in scholarships. To get more, that means you have to spend more than \$9 million. To go anywhere near full scholarships, that means you have to have way in excess of \$9 million. So the percentage is irrelevant. What is of importance is that we have to clearly tell the public if the proposition is that we ought to put an additional tax in place of some sort to expand the

funding of scholarships, or are we going to cut other areas of government by that amount.

We have a four-year budget that's agreed. And so we know that in order to spend more in a particular area we either have to raise revenue or we have to pull down expenditure. Now, one thing that the Member alluded to, and I am trying to ensure that the House understands this piece of it. The Member spoke to that percentage and if work permit revenue grew, in other words, you don't necessarily have to increase work permit fees, but if you get more people, so you get an expansion of the economy, that then you could have an increase in the funding and then he also made reference to whether or not private donors may be counted upon to increase the funds available.

Just by way of background, I think the House needs to know that, at present, the Cayman Islands Government has over 1,000 people in its scholarship programme. Right now, the Cayman Islands Government approves all persons who have met the academic criteria by the Education Council. So, it is not that we have a situation where someone may have the requisite O Level passes, or GPA, and we turn them away. So, over the last few years we have seen these numbers steadily increase.

In fact, we believe that these numbers are going to increase even more because last year we set a national record for five or more O Level passes, which is the benchmark to get you into tertiary educational loan. That also meant that we have more young persons who got three and four O Levels as well, which will hit some of the areas the Member moving the Motion spoke to. That is, persons who will go on to some form of further education. I think the term he used was "up-skilling." And he is quite right. There is a need for additional funding to be put in place for those areas.

He mentioned a programme that he and the Third Elected Member for Bodden Town got to see and one that the new National Workforce Development Agency is at present piloting with the private sector. And it's a programme to assess people so that we know where people are, know what their strengths and weaknesses are, and be able to try and assist them in what he has called "up-skilling." And he is 100 per cent right. There is a necessity for us to find additional resources to be able to offer that level of programmes.

I dare say that if you start thinking about sheer numbers of people, positive impact in the economy, positive impact in our families and in our community, that that is an area in which this country is going to have to find a way to fund and spend monies in. That is the area where we are either looking at some form of high quality technical and vocational programme, or additional certificate programmes that might not, say, get up to associate's or bachelor's but they do continue to up-skill people. That area is crucially important because the fact of the matter is that right now having 1,000 people on scholarship, if you divide that number

by four (because the typical tertiary programme will take you four years) you will see that that is an average of 250. But the average of young persons who are coming out of school far exceeds 250. Then you also have adults in the community who also need assistance with further education and learning.

So, Madam Speaker, I think we need to be very, very clear about what needs to happen in the future in terms of how we are going to go about workforce development, because scholarships is our high end workforce development tool. The bit that the Member alluded to and spoke about that needs the additional focus and will need the additional revenue and funding will be those who do not necessarily go on to the tertiary trek but do need to enhance their skills to be able to survive in a very new workforce.

One of the things that has happened in the country, and we have to admit it, is that compared to 20 to 25 years ago, the job market has completely changed. I think a lot of us lose track of the fact that even as we are preparing our young people going through school and university, the world that they are going to face in a decade is very different. A decade ago we didn't have smart phones that could allow us to work from home if we wanted to, and be able to be as efficient and organised as we are today.

In fact, it's difficult, if you work and use technology, to ever not be at work. Even when one is on vacation work follows you with the Blackberry, with the iPhone, or with your Samsung or other android device. So, we have to understand that 5 years, 10 years from now we are going to face a world that we continually need to be able to have systems in place, government and private sector working together, to continually retool our people so that they can continue to be actively engaged in the workforce.

I must say that from my understanding of what the Member said in terms of his introduction to the Motion, that that is a point he completely agrees with. It would seem to me, Madam Speaker, that the one thing we need to do is to clearly now, once we have piloted the ACT programme and whatever other programmes Government will introduce at the Workforce Development Agency after May, is to properly evaluate and cost and be upfront within itself about how resources need to be allocated. The fact of the matter is, I believe we need to spend more money on up-skilling people versus handing monies out to people. I believe that we need to ensure that people are having access to programmes that are not just academic in nature.

One of the things I think we have focused on a lot is our academics. And that is crucially important. But character and character development cannot be overlooked. All of us know, if we are honest with ourselves about our constituents who come to us, that a barrier to success for a lot of our people is simply doing things like walking off the job because of conflict resolution. *Oh, well, the boss insulted me; the boss*

said this; the supervisor said that. The soft skills are things that we need to ensure we do not take for granted and we invest in. I think a lot of times we think that that just comes with experience. Unfortunately, what comes with experience, sometimes, is bad habits and simply repeating those bad habits over and over and over.

Madam Speaker, when we speak to scholarships . . . and just to give the Member, and certainly the House, an idea, right now the policy of C\$20,000 per year for our academic scholarships is extremely generous. I don't believe there are many countries in the world whose national scholarship programme has such a generous provision, especially given the fact that the qualification to attain that scholarship is five O Levels. I think you will find that a lot of national governments scholarship programmes actually pitch the qualifications a little higher and some of them even require you to have A Levels. But we understand that in Cayman our stage of development is completely different. So the policy decision that we took and have in place today, and I think it should be in place for many, many years, is reflective of where we are developmentally as a community. So we need to continue down that path.

The one thing that I will say is that when you look at \$20,000 versus the cost of tertiary, especially for those students who go overseas, we do need to continue down this path of providing as much funding for a broad group of Caymanians as possible. If we were to try to, for example, fully fund right now who are on overseas scholarships, the number just to do that alone, so not anyone else getting a scholarship, just to go from \$20,000 per year to fully fund, and if you accept what would be right now about the average cost of overseas study, you would see that just that act alone would require the Cayman Islands Government to find some \$6 million (just off the top). So we would have to find \$6 million more to spend.

I am not suggesting that there could be any higher priority, but I am reminding Members of the House that in managing government and managing a budget there are always competing priorities. We still have to fund our veterans and seamen. We still have to fund those who find themselves in difficulties. We still have to fund indigents. We still have to fund overseas medical and care, which, of course, is a matter of life and death.

So, we do understand that unless we are going to raise more revenue or cut something in another area that we will need to look strategically and make those critical decisions. I, for one, believe that there can be no higher priority. And I believe this is the point the Member has made in moving the Motion. That education in its broadest sense, whether tertiary, vocational, training, up-skilling, getting access to the programme that he would have seen in Chicago and rolling that out nationally and what that could do for people's lives, we can't have a higher national priority.

The fact of the matter is, that is one area of spend that we actually can make money on, as Government.

He made the point of how Government invests. Well, the more skilled our population is, then, in theory, with whatever level of economic growth we have, the greater the productivity and, therefore, the greater our national GDP will be. More skilled people working are more efficient typically, will produce better companies, better profits, better salaries and you then see how it can cause you to have economic growth. Lower skilled people typically find higher rates of unemployment, lower levels of academic achievement, higher rates of antisocial behaviour and so not only do you not benefit from the enhanced productivity that spending more in education can bring you, you actually have the reverse because then you have to spend more on social programmes to try and assist people who find themselves unemployed or underemployed, or even in the worst cases, engaging in antisocial behaviour because they are not able to participate fully in the economy.

The fact of the matter is, the principle behind this Motion is, I believe, to alert the House that not only should we look at another way of structuring how we finance tertiary education and learning, but also the fact that down the road—and “down the road” can't be a decade from now—we are going to have to find ways in which we increase overall our spending.

I must say, Madam Speaker, that when it comes to the scholarship programme I do believe that we need to continue to have the policy of trying to spread those monies so that we are able to fund all of our people who qualify. Why do I make that point? I make that point because the higher amount, assuming all things being equal, and assuming that a Government looks at its budget and has gleaned all of its efficiencies, it can't reduce any funding for community affairs, it can't reduce any more funding for healthcare, it can't reduce funding and so you have really reached what I like to call that baseline and you are efficient. At that point, choices have to be made. So, if you have a pot and let's just throw a number out, that pot for this sort of programme is \$12 million. We ought to ensure that however we slice it up we don't do it in such a way that you then have some Caymanians who would be otherwise qualified getting no funding.

How that could happen, Madam Speaker, is if we were to take the \$20,000 right now, and even with an increase in funding overall, still not . . . and let's just use a hypothetical. We said we moved that to \$25,000. When we look at the amount that's budgeted for that year and it's in the fund, if you divide that through by the \$25,000 and you just pick a random number and that comes out at 150, what happens when you have 200 Caymanians who are qualified? In my view, the goal is to help all of them. And that's one of the reasons why that sort of average number has developed over the years because a long time ago

when we didn't have the numbers qualifying Government used to have a much friendlier scholarship regime where you did have people much closer to a fully funded scholarship. But as our grades have rapidly increased, and if you look at the performance of the number of Caymanians exiting our system with five or more O Levels you will see that over the last decade that number has grown dramatically.

In my opinion we can't have a scenario where any of them that meet that criterion have to go get a student loan for the entire amount. I believe that we would want to have a scenario where all of them get some baseline of assistance and then the additional could be covered through the Government guaranteed student loan programme that is run by CIDB.

Madam Speaker, as I said, I did not quite gather from the mover of the Motion what the principle was underlying in anything that goes above what we have right now in terms of an annual allocation and spend along the lines of TP30 (transfer payment 30) which covers local overseas scholarships and bursaries. So, we do need to ensure that that point is clearly illuminated so that the principle that runs behind this Motion and undergirds the Motion is clearly understood by the House so that when we vote on the resolution it is very clear exactly what we are voting on.

And, as the First Elected Member for West Bay said, when somebody picks up those *Hansards* they will know exactly what it is the House was resolving to do. Is it net increase in funding? Is it that we are going to say, *Okay, let's, for a very important principle . . .* because that's the other thing that I picked up, I think accurately, as I listened to the mover very closely was that he is saying, *Look, let's have not only a principal of an Education Fund . . .* because he could have said a principal of Education Fund could have come from gas tax. But he has tied it to work permits because he believes, from what I can understand, that the optics of it coming from work permits, which is non-nationals coming to the community to work, is one that ties, *Well look, there are people who are coming in to work and as part of that benefit that you get, as it were, to come to Cayman, part of the fees that are being paid are now going to be used for upskilling our own workforce*, whether it's through scholarships, training and other programmes. So, that piece of it is pretty clear.

The one point he did say that caught my attention as well was . . . and I think I am quoting, that the Education Fund should be run independently and neutrally as possible. It would be interesting to hear what his thoughts are on what that would mean because obviously I have heard people in the past talk about these sorts of things. In fact, I had a very interesting discussion with someone about this just a few weeks ago generally on government board. What makeup is he envisioning that would bring that level of independence and neutrality?

In my humble submission, something as important as this should not go down the route of what has happened in Conservation where you get a board set up that becomes so independent that then Government policy isn't necessarily what is going to be followed and then it winds up being that board, or that group's policy. I think, clearly, we have a long established system that has generally worked very well, in my opinion, of Government being able to from time to time appoint people to boards. I would presume that in this instance you would want to perhaps have a real think around the makeup of those persons.

Perhaps one would have to say will we say that we have X amount of on-educators? X amount of persons with education experience, and some with some other types of experience? I presume that was where the Member was going in terms of how the board would be constructed. But it would be interesting to hear a little more about how we would go about that sort of independence in regard to this particular board.

Madam Speaker, the issue of timing was brought up. Obviously, anything like this would have to be incorporated right at the beginning of a fiscal year. You would have to decide as Government on day X here is the day you are going to implement the policy. Obviously, there would be a side-by-side running, I presume, for one fiscal year where you have your traditional pot set aside and then you have a buildup over a 12 month period and then from that next year you now have a fund that's established. That obviously would come down to planning. And whoever is the Government would have to make the policy decision, work out all those bits and pieces about the funding and then create the policy.

Also, Madam Speaker, I must say that we had talk, I guess it was sometime last year, around the establishment of an education fund at Cabinet level and in caucus that dealt with a slightly different angle of education which I think the mover hasn't mentioned, I don't believe, in this debate, but I think ought to be put on the table as well. I think it is time that we also start to save towards school development because we see that we have ageing school plant. And then we try to come as Government and budget and borrow large sums of money for single projects when, in fact, I can say that anyone who looks at the primary expansion programme, for example, will see now that there is a clear path of how we can renew and reinvigorate a whole series of primary schools. I use Sir John A. Cumber as a classic example.

We have added a new school building, gotten rid of all the modulars. But there is one piece of that school left that is very old. So, you need to now start saving toward that so that another school building that is similar to the one that has been built can be built to replace one that was built in the 60s. Anyone who goes into those classrooms in the oldest piece of the school block . . . and that was something that we dis-

cussed at caucus before, about what was built and just opened was phase 1, and that phase 2 would be to replace that older piece. There are a number of primary schools like that that we do need to save toward as well.

If we are going to say that education is our number one priority then I think we ought to be looking at ways in which we fund education and ways in which we save toward being able to provide for education. I know my good friend, the Minister of Environment, might disagree with this slightly, but I have said to him, that for example, we have a growing fund called the Environmental Protection Fund, and whilst when that fund was started everyone knew the reasons for starting it, perhaps there might be a thought that Government ought to look at whether or not (as alluded to in the past) you cap that. And if you cap it, what do you do with the others? Do you put all of it in general reserves? Or do you look at an infrastructure fund for education as well? so that you are saving toward being able to replace school plant in a very strategic way and you are able to not have facilities get in the way of teaching and learning.

I say to anyone in this room, because I think most know my position on this, that you need new facilities when facilities get in the way of optimal teaching and learning. If I refer back to the same example of the Sir John A. Cumber, if you took the new building that opened in the 90s and then compared that to the oldest piece of the school that was built in the 60s, where we have even incorporated the walkway, we knocked out some walls and moved to incorporate the walkway just to get a few more feet because those classrooms were so small. They were built when class sizes were materially different than they are today. They were built when class sizes may have been around 10 to 12. Now class sizes are around 20 to 24. So just from a physical space perspective, you will see that the last piece of that school needs to be replaced and take on the same features as the rest of the school.

The other thing, obviously, that we need to ensure is that we continue to work closely with the persons who would be interested. Right now we have a fairly robust private sector scholarship regime. You have a large number of firms out there. For example, you can go on the Chamber website, and there is also a publication that has the scholarships available in Cayman. You will see that there is a fair amount of private sector funding behind scholarships at present. But surely, Madam Speaker, we will want to push the idea which the Member has spoken to. And, obviously, it is a much easier sell to go to an individual and say, *Contribute to a fund. Here is how the fund is managed, it's not comingled in government's general revenue.* I think it's fair, and we would all agree with him in the point that he made that, ultimately, you are not going to get a lot of people agreeing to give money to government for scholarships directly because

they will run the risk that the money could be spent on something else.

The last point I will make on training and upskilling, Madam Speaker, is the growth (and I am going to be doing a statement on this a little later in this Meeting), the real turnaround in performance at UCCI. I think we have seen a great level of growth in the confidence of that institution by the community. So that institution has continued to enhance its offerings. In fact, in September, God willing, a nursing programme is going to come on stream there. And there is also an increase in the programmes at bachelor level.

I, for one, Madam Speaker, have stood in this House many times and spoken to the virtues of our students experiencing study in another country. We come from a very small community and going overseas to study, whilst the academics are great, is a great experience socially. That is really, in my opinion, one of the biggest, if not the biggest, advantages to that—that our people get to experience another country, a bigger community, and are able to survive and work. Surprisingly, Madam Speaker, we see Caymanians developing more and more contacts, and have friends that they went to university with who are now US Senators. That experience is one that we cannot duplicate at home.

However, what I think is fair to say and ought to feature in how Government looks at the funding and policy model around tertiary education and further training is what programmes are we going to start saying, *Okay, if you are going to sit in this area we are going to be much more serious now that you have to do your four years, let's say, at UCCI and perhaps then push more and more people toward doing their masters overseas.* Not that they wouldn't get experience and exposure going overseas, but perhaps they would get it at that higher level.

Madam Speaker, if you look at our sheer numbers what you will actually see is the amount of money we would save if we were to have more of our students do that final two years here. We would actually be able to fund even more Caymanians going off and doing their masters and PhDs overseas then. I think that is a priority and a key area that we are now going to have to face and just deal with squarely head on where we may have to start seeing more and more of the programmes that we feel extremely comfortable with at an institution that has really turned around and really grown in its stature in this community and its acceptance in this community and its quality of programme and quality of degrees that we might need to have more and more people stay for a little longer and then do more of their post graduate studies overseas. So we still get the win/win. We still get Caymanians who are able to get that experience by living and studying abroad, but it would just simply be at the end of their education journey.

So, Madam Speaker, I think I posed a few questions about how the mechanics of the programme would work and how the funding model is envisioned in the Motion; how we would get to this more independent or neutral education fund and being operational. And, as I said, I think there are a few add-ons. Facilities, I think, need to come into the mix. Perhaps that would be yet another segregated fund that just deals with the capital side of development.

[Inaudible interjection]

The Deputy Premier, Hon. Rolston M. Anglin: And so, Madam Speaker, I take it from the comments by my good friend across the floor (to be unnamed), that I must have been pretty comprehensive because the only thing I haven't covered in my debate, apparently, is that we might need to consider any road we might need to build to the school. So I thank him for that very confidence-boosting gesture from across the way.

Madam Speaker, having said that, I think I should go on a little longer—but I won't! I think I have covered all the points that I wanted to make on this debate and, certainly, I want to say to the House that Government is going to be accepting the Motion.

Thank you.

The Speaker: We have reached the hour of 4.30. I call on the Premier for a motion to continue the business of the House this evening. We have a lot of ground to cover still.

Suspension of Standing Order 10(2)

The Premier, Hon. Juliana Y. O'Connor-Connolly: Madam Speaker, in accordance with Standing Order 10(2), I ask for the suspension thereof to allow the House to continue until the completion of the Private Members' Motion[s].

[Inaudible interjection]

The Premier, Hon. Juliana Y. O'Connor-Connolly: All of them.

[Inaudible interjection]

The Premier, Hon. Juliana Y. O'Connor-Connolly: Madam Speaker, I sought the mind of the House and the majority came back with that. I was open to the will of the House . . . unless I misunderstood what was sent back. That was what I got back.

The Speaker: The question is that Standing Order 10(2) be suspended to allow the business of the House to continue. I will not name an hour, we will decide that when we get nearer to that point. I will

leave it open for now. We can go on as long as necessary. Standing Order 10(2) to be suspended.

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

Ayes.

The Speaker: The Ayes have it.

Agreed: Standing Order 10(2) suspended.

The Speaker: I would like to remind Members, I know each person has two hours to debate and two hours to wind up, which would give each motion, if everyone spoke, 32 hours of debate. We do not have that time left. So, I would ask you to be conservative so that everybody can have their say on the many, many, many big issues that are before this House in this Sitting.

Does any other Member wish to speak? [pause] The motion before the House is Private Member's Motion No. 2-2012/13 on the Education Fund. Does any other Member wish to speak? [pause] Does any other Member wish to speak? [pause]

If not, I will call on the mover of the Motion to conclude the debate.

Mr. Ellio A. Solomon: Madam Speaker, continuing, and in conclusion on the Education Fund . . . first of all, for the benefit of anyone who might not have seen, we only had two contributions, one from the past Minister of Education and one from the present—

[Inaudible interjection]

Mr. Ellio A. Solomon: Oh yes, sorry. I neglected to mention—

[Inaudible interjection]

Mr. Ellio A. Solomon: —and apparently I have sensibly touched a few Members by not doing so, even from the Opposition side. But I neglected to mention that . . . I almost said the Premier, but Mr. Bush—

The Speaker: First Elected Member for West Bay.

Mr. Ellio A. Solomon: The First Elected Member for West Bay—thank you very much, Madam Speaker—also made a contribution. I thank all of them for their contributions, Madam Speaker.

Let me say that it is unfortunate, Madam Speaker, but I am going to address the Third Elected Member for George Town first, and deal with the comments coming from the Minister of Education last, because I think the comments coming from the Minister of Education were constructive. Perhaps a lot of those questions would really be resolved and ironed out in the committee stage. I believe he would proba-

bly agree and when we put a committee together to really review things properly, a lot of things would iron themselves out in terms of some of the specifics. But, with that said, that will provide me with an opportunity to air and summarise some of the things in a way that is succinctly pleasing just before we end the discussion. I noted that the Leader of the Opposition stated that his party intends to support the Motion. I obviously look forward to that support. I encourage the Members to stay and cast their votes. With that said . . . oh yes, and I hope, Madam Speaker . . . and I do want to mention that again. I appreciate that we have a lot of motions but I definitely don't think I am going to take anywhere near two hours. But I am going to say that sometimes if I ventilate a bit more then perhaps we could have less questions and perhaps some unwarranted criticism.

So, let me get the house cleaning out of the way, and first of all address the issue of the Leader of the Opposition. First of all, he rose to his feet and said that he supported the Motion, in essence. I suppose he couldn't find anything substantive to actually criticise the Motion about. But in his usual style that was too good to leave alone, so he had to find some way to negate anything positive, he had to find a way to pour some cold water on it by simply trying to suggest that it is pure politics and electioneering.

I don't expect any better from the Leader of the Opposition because he shoots from the hip; he judges from his own actions. But I wish to remind him, for what it's worth, that as the good Word says, "**The refining pot is for silver and the furnace for gold: [but the Lord trieth the hearts.]**" When I checked last, he is not God. And where he may have sat there, for example, during the past 10 years or 12 years, however long, he has been here and failed to do certain things, then that's his negligence, that's his fault.

To simply try and suggest that I am bringing this Motion now and it's electioneering, Madam Speaker, just shows the character of the person. We have to understand, Madam Speaker, the Member may not take it seriously, but I know that from 2005, for example, his party proposed in their manifesto something very similar—check it out—Education Fund.

Many years have passed since 2005. Many! Eight years, I dare say. And I don't think the Member has even uttered it in this Legislative Assembly. But that's his style. That's the Leader of the Opposition I am referring to. That's his style—just a lot of talk, just a lot of rhetoric, makes a lot of promises but doesn't really deliver anything. So we are not surprised when he stands in this honourable House and tries to talk about the fact that what we are doing here is simply electioneering because there is no way anything could be implemented at this point.

What he should do, Madam Speaker, is stand here and be able to appreciate that even if it is the very last minute and you can do something to help

someone in any way, shape or form, that he should stand committed to aid this country in doing so. A little less lip flapping and a little bit more action, Madam Speaker, from the Member would be greatly appreciated.

I brought this Motion from last year. This is not a Motion that I brought to have produced in 2013. And for a myriad of different reasons: It never made it on the Order Paper. For a myriad of different reasons when it made it to the Order Paper and we came in here we had to defer it. And on at least one of those occasions, I was the one who had to ask for it to be¹deferred. But that's how things go, Madam Speaker. But surely, I am not going to look at anyone in here who comes forward to make a suggestion that can save or educate one child, one adult, regardless of their age and simply dismiss it as electioneering. But he would do so.

You see, Madam Speaker . . . and, I am going to take my time and give him a proper flogging, because that is what he deserves.

[Inaudible interjection]

Mr. Ellio A. Solomon: Madam Speaker, let me just give you the sort of lip service that he continues to give this country. He talks about, oh, this is simply electioneering. He is the same one that stood not too long ago in the CBO [Cayman Business Outlook] debates and once again reiterated the fact that he supports minimum wage. Yet, he sat in this honourable House for four years, not as a backbench Member like me, begging the Government, or having to talk to his Government about even getting something on the Order Paper, as a Minister in Cabinet—

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: Madam Speaker, on a point of order.

The Speaker: Honourable Leader of the Opposition.

Point of Order

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: As you know, I am usually quite easy with these things, but this is entirely irrelevant to this debate and we have many, many motions to deal with. The issue of minimum wage is entirely irrelevant to this debate.

Mr. Ellio A. Solomon: Madam Speaker, if I could submit, that is not even a relevant point of order—

[Inaudible interjection]

¹ Motion deferred on 26 November 2013.

Mr. Ellio A. Solomon: Madam Speaker, if I could just ask for your submission before you rule, Madam Speaker—

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: Madam Speaker, there is a point of order on the Floor. The Member must sit down until you rule.

The Speaker: Both Members must sit.

The Member has a valid point of order. We should stick to debate at this particular time. We have a subject before the House—

Mr. Ellio A. Solomon: Well, what is electioneering?

The Speaker: We have a lot of time to electioneer between now and May 22nd, but we do have some very serious issues, and this is a serious issue. This is a serious issue, it is a serious Motion. Perhaps if you can stay with the Motion we can get a vote on it before we close the House down this afternoon.

Mr. Ellio A. Solomon: Madam Speaker, I was just saying that when the Member rose to his feet [and] was beating me to death about electioneering, somehow that unholy contribution seemed to have been relevant in this honourable House to an Education Fund debate. But, again, as usual in this honourable House, it is uncouth, it is wrong for me to respond to his allegation of electioneering by showing where he has done, arguably, nothing over the last four years—

The Speaker: Member—

Mr. Ellio A. Solomon: —other than talk—

The Speaker: Fourth Elected Member for George Town, I have ruled. I do not make uncouth rulings and I do not make uncouth statements in this House. Please continue with the debate on the subject before the House.

Mr. Ellio A. Solomon: Thank you, Madam Speaker. I will continue without retorting, obviously, to his completely irrelevant accusation of electioneering. I will not highlight that he has failed to do anything positive over the last four years that he was in office.

[Laughter]

The Speaker: Thank you.

Mr. Ellio A. Solomon: Madam Speaker, with that out of the way, seeing as how your ruling has highlighted that he is not even worthy of a reply, and I thank you for that ruling to some degree, Madam Speaker, because you are absolutely correct—

[Laughter]

Mr. Ellio A. Solomon: —and anything that is perhaps further unworthy to say of the Member we can leave for where he likes to have it best. Now I will try to stay a safe distance so he doesn't try to strike anyone, but we will deal with it another time.

Madam Speaker, just moving on then to the more constructive contributions to the debate, let me talk about the Education Fund so that there are no misunderstandings. Maybe the Third Elected Member for George Town can listen very carefully so he doesn't get anything wrong when he gets on his platform. But, Madam Speaker, as I stated, in this country education is extremely important. I should take one hour and 59 minutes and 59 seconds, but education is extremely important in the country. And I believe everyone who has had a chance to speak has expressly stated that and those who did not speak are in tacit agreement.

That said; there has also been acceptance that the Education Fund is a good thing. Let's be clear on that. Clearly, the First Elected Member for West Bay stated that he supported it, that the Education Fund is a good idea. Even the Leader of the Opposition, in that valley of despair that he had to swim through to avoid getting stuck in quagmire, was even able to squeeze out, as difficult as it was, Madam Speaker, that the Education Fund was a good idea. He even managed to somehow grow vertebrae to support it. And on top of that, Madam Speaker, the now present Minister of Education and the Government, a wonderful handful at this point in time, Madam Speaker, has also pledged their support for the Education Fund because they believe the Education Fund is a good thing.

So, Madam Speaker, what then are we discussing? We are discussing perhaps some little intricacies that maybe it could be left, we could accept in principle where this is going and we could leave that to when we form a committee to work out some of those intricacies. But I will ventilate them because, at a minimum, it will help to better inform everyone in here who, I am sure is dying of curiosity, to hear a few comments.

Madam Speaker, as we discuss how it's funded, I am going to turn, imperfect as it is, and ask us to look at how we fund part of the roads. We put a tax on fuel to help fund the roads. Why? We don't have to do that. It could be a death tax and we could take the death tax and do it. We could take general revenues and do that. Again, Madam Speaker, even if they just throw it into the pot and they are going to do it, that's what the sell is to the public. You have a gas tax and part of that is supposed to go, if not all, to the NRA to be able to deal with the roads.

Understand, if nothing else, the clarity of mind that it gives us to be able to say that we have taken a fee, put it on the gas, because if you are buying gas chances are you're driving a vehicle and if you are

driving a vehicle chances are you are using the roads, and if you're using the roads, the roads need maintenance, therefore, there is a proper seamless friendly commonsense application for that fee. In a similar way, Madam Speaker, it is the argument then first of all on the Education Fund, which everyone supports, a question then of funding.

One of the questions raised was if you now have \$9 million on average going into the Ministry of Education for education what would happen? What are we going to get, for example, from the Immigration fees? As I stated during my debate, whatever that percentage is that we are going to take from the Immigration fee, my position is that it should be at the minimum the exact same amount. If we did that that would also negate the need now, because first of all we want to work on to be able to say if you are now taking \$9 million out the general revenues, let's get it seamlessly in the same comfortable, friendly way as we have with that particular fee on fuel. In the same way, take the \$9 million as a percentage coming from Immigration.

So, it is not a case then of well if you get \$9 million from there we are missing \$9 million somewhere else and where are we going to find it. No. Stop your contribution. Now let's make it, accounting-wise, very seamless. And we already talked about some of the social benefits which we can recap. The \$9 million comes out as a percentage of the Immigration fee which is seamless, it makes sense, because again if the person is coming in as an immigrant and a worker, that means that a deficit in terms of some skill, something that is needed in the country. So have that individual, insofar as their work permit fees, go to fund education for a Caymanian or several Caymanians. It makes sense!

So it is not a case, Madam Speaker, of we are taking it from there and where are we going to find the funds. The two, in the minimum, then cancel out. But, that said, if we left it there, then one could raise the question. So, if we now have accounting-wise something that makes sense in terms of how we allocate the funds to the Education Fund, and if there is not anything surplus or extra, then one could argue, *well, have we achieved anything?* Yes we have. We have achieved something, even if we did nothing more than simply that. If there was no increase of work permits, if there were no increases in the funds, we have something still better because the vehicle to which those funds are now being allocated is not the same vehicle as exists today.

Every Member has accepted that with an Education Fund, if nothing else, you would see a better chance of an increase, or I shouldn't say an increase, right now there are not, right now, going to be arguably any donors making any sort of donations to the Ministry of Education. For, amongst other reasons, there are not many who want to come forward and say, *Here, I have \$3 million, let me give it to the Unit-*

ed Democratic Party Government or to the PPM Government, or any other Government. I'm not going to do that because I don't want to look like I am partisan, like I am supporting one particular party or another.

So, we have already accepted, as I believe has been stated by at least one Member, that, clearly, even from a donation standpoint, that Education Fund vehicle allows for the transportation of something new. That transportation, the possibility of increasing the funds for education, simply because of that being a fund, that independence, that neutrality that someone can't say it's all completely politically controlled. Remember, that is the same banging and criticism you even hear whether it's Nation Building Fund or anything else. That's the kind of criticism you get—they are choosing their friends, they are doing this, whatever.

At the end of the day we have an Education Fund that is arguably somewhat independent, a neutral group that is going to be working there on policy directives and, at the end of the day, having just from that alone the ability to be able to go to a business, to an individual, or individuals, in this country and be able to gain more funds simply because of that fund, the independence and neutrality, the way it is managed, et cetera. Right away, Madam Speaker, that is what you get.

On top of that, one of the things I mentioned is that the government funds and the way things are done right now is deplorable. You can end up with \$95 million in reserves sitting in a local bank in a regular savings account collecting .001 per cent. I am going to ask—

[Inaudible interjection]

Mr. Ellio A. Solomon: Someone is saying it is not a regular account it's a term deposit. When I asked the relevant persons in Treasury the return on the monies is completely insignificant. Completely insignificant! You could arguably leave \$95 million in there for a year and if you came back and has \$1,000 you would probably be lucky. That's how bad it is.

How do you go to the people of this country when the last Minister of Education, for example (the Leader of the Opposition), flaps his lips and talks about how much they did for education? What were their ideas? What did they propose that they could do to help increase this \$9 million that has plagued the country for so many decades? What have they done? Nothing! No ideas, no innovation, no creativity. But [he] stands there and talks rubbish about electioneering because they can't come up with an idea and have the gumption to try to do something about it.

No!

So, this is an idea, Madam Speaker, that offers us the opportunity to be able to increase the funds that goes to education simply because it is a fund, simply because it is run independently and neu-

trally and simply because of the way it's managed. And if we take government money and start investing it properly and stop sitting it in bank accounts, we would have millions upon millions of dollars to be able to use for education and other good worthy purposes that the people of this country need.

So, I don't want to hear the rubbish from anyone who is going to say we don't have things to do in the country. We have things to do! And how much does it take? How long does it take to put a policy directive together and say I want these funds put someplace where they can be managed and maximise the return on investment, not for me, not for the Government, but for the people of this country? How long does that take? How many motions have to be brought for that?

No, but we can get the frivolous criticisms. That's what we get. But, again, when you're bankrupt of ideas, that's what you expect.

So, Madam Speaker, I stand here and I say, once we create the fund we create a nice proper way of allocating the funds. We don't lose anything; this doesn't become a simple see-saw, because the vehicle that we are creating allows for additional funds to be entered in.

The Minister of Education also talked about the independence, and what I mean by that . . . Madam Speaker, I have always made it clear. And I make it clear again. A Government . . . I am not about sitting here and giving more power to the UK, because that's how we are now. Every law has to be telling us we can do this, we can do that and then there is one single line on the bottom that says, of course, the Governor can do whatever he likes. I do not operate that way. I actually believe that the people of this country elected us to serve them and thus we should have no problems giving ourselves the authority we need, the power that we need to be able to implement policy on their behalf.

So, whoever the Government is, the Government should be able to get up and, simply put, be able to say the direction of this Government is to carry us from George Town to East End; that's the policy position. The directive is we go from here to East End; that's the direction. But they should always be open through their boards and committees and other relevant persons, as the Bible says, 'a wise man surrounds himself with a thousand counselors.' They should be able to listen to good counsel on how and what is the best way to get to East End. Is it truck, car, plane?

How are you getting there? Swimming? Running? Jogging? How are you getting there? That is where you seek counsel. That is where you have boards. That is where you have committees; that is where you have expertise. But the Government of the day should set the direction. I made that clear, Madam Speaker, on numerous occasions. Happy to reiterate it again!

So, when we do it, should Government be included insofar as the appointment of board members? Well, Madam Speaker, from my position today I say absolutely why not. Why not? Why not appoint them to implement the Government's policy? The Government of the day, whatever their policy is, work to implement that. I stand by that position.

So let's get on, Madam Speaker, again to additional funds. I want to drive it home. Some of the same people with their ridiculous criticisms today have done nothing for decades in this country to increase the amount of funds that are being spent on tertiary education. Nothing! So they have arguably in that sense no right to say anything. And I will add, Madam Speaker, that I know a little bit. While some were doing nothing, do you know what I was doing a lot of times even when I wasn't an elected official? I went and handed out schoolbooks. I tutored students in math. I helped teach in my spare time at the Young Parenting Programme for Single Parents. So I don't have to be the "Minister of Education" to care about education, to care about people and to try and do something. And that is precisely why I am doing it. And if it were the last day of the parliament, or the last day of my life, I am still going to come and bring this Motion! If nothing else, then that's my contribution. Let that be marked that that's my contribution.

So, Madam Speaker, how can we go about even getting additional funds into this Education Fund, which is what I am concerned about? There are businesses. When we had projects (and I am not going to get into the name-calling of any particular project), there were persons who came and wanted to make a contribution to the country. They wanted their company . . . there are companies right now around the world . . . ethical business is what they refer to it as. Ethical business! When I checked last, the term of the day "ethical business," they want to be seen (not by anyone requesting them) as good contributors and players in their communities. They are not going to make a contribution to any one particular party; but they will make it to the fund.

One company alone that we spoke to was willing to put \$12 million into educating Caymanians in this country. Where the \$12 million is now . . . where is the \$12 million? We don't have it! Do you know why we don't have it? Somebody was perhaps was too lazy to build a truck to carry it. That's what it is. Not even a policy but there is \$12 million that could be used. Even right now there are companies willing to make. And I dare say that many of the good companies in this country are willing to contribute to education. They are simply asking for the proper vehicle so they do not look like they got their hands in jacket all dirty by mixing it up and looking in the wrong way. Perception means something. They understand that that is nine-tenths of reality.

But when we create it, Madam Speaker, just what we have right now, we can harvest and get more

simply without even asking. And you get even more than when you go and as members of the fund go and ask they will get even more. And we will get even more to the fund rather than sitting for decades with the same \$9 million flogging the same horse expecting different results. We would get even more then, Madam Speaker, when we come up with a little creativity, a little innovation and say what can we do insofar as local companies, the companies that are already here and those who want to come and those who want to invest and those who want to be a part of us. What programmes, what policies are we putting in place to maximise the spend that they are going to put in the Education Fund so that ultimately we can help our own people that we consistently claim we are trying to help?

So that's what we get, Madam Speaker.

The United Democratic Party . . . talk about electioneering, the United Democratic Party, I can assure you, if we are re-elected we are going to continue what we started insofar as saying what can we do to bring business here in terms of spend, not just in terms of finances with respect to the economy, but also in things such as the Education Fund to be able to help educate our Caymanians young, middle and older. That's what it is going to do.

I believe that covers this whole issue about the independence. I believe that when we look at the possibilities insofar as innovation for programmes that that issue is also resolved.

So, Madam Speaker, in summary and in closing, hopefully waiting to fetch the vote, and I will draw to everyone's attention that despite the promise of support, we have already lost three members of the Opposition, but unsurprisingly. They can flog, but they can't take it. And I didn't even have the chance to do so. But, Madam Speaker, in summary, very succinctly, two most important things, if I must say, are health and education. Every morning we rise from our beds we should get on our knees and thank God that today we have risen with health and we have a chance to make a difference today that we didn't have yesterday. And with health we can pursue further education. And by pursuing further education we can achieve more things including better health.

So, Madam Speaker, if education is so fundamentally important, that second pillar, if you like, in our community, then let us take a different approach towards education than we have taken for the past several decades where we continue to linger and wonder about and ebb like oceans somewhere on the sands of the same \$9 million every year. Let us do something different, chart a new course, and see if we cannot do something different that can give us an opportunity to raise some additional funds to help the so many people out there that need the opportunity.

And just for utmost clarity on concluding, one other point that was raised, yes, the ultimate two goals are to try to increase the amount of funding that you

are providing for the persons who now are getting scholarships and to also increase the numbers. How will it be achieved? Very simple! When you are getting additional funds to that Education Fund, because of that innovative and creative new vehicle that you put in place, then those things will be achieved. And not to forget the wonderful social benefits, Madam Speaker, that we get, and how fundamentally important it is that if this country is to succeed, we can't, like the Leader of the Opposition, continue to tell people that Caymanians resent foreigners.

We cannot continue that line of division. We have to work through policy, statements, and actions, to unify this country, understanding that there has to be a deep respect for Caymanians. You cannot discriminate against them, we have to provide them with the opportunities for education and once we have given them the education, blend and dovetail education with opportunity so they can make something productive of their lives. We have to do that. And at the same time, Madam Speaker, create a harmonious society between Caymanians and the transient workers that we have brought here to make a contribution in one way shape or another. I believe threefold those things can and will be achieved by the implementation of this Education Fund.

With that I will say thank you very much for the opportunity to be able to stand here today and make this contribution. I thank those persons who, yes, have voted for me who have given me this little piece of real estate for four years, and I stand here today on their behalf to make this plea regardless of how late the hour will be, Madam Speaker. And regardless of what criticisms anyone may want to offer, even though they come from the lips and hands of those who have done nothing other than bricks and mortar which cannot feed anyone and do not educate anyone. No! This is an idea that I humbly submit if we can implement it, it can have real potential opportunities to raise funding, increase education opportunities for Caymanians and thus as has perhaps already been stated, when we do that we will increase opportunities for them and when our Caymanians grow our families are better insofar as education, stronger neighbourhoods, stronger communities, a stronger nation.

I thank you very much.

The Speaker: Thank you, Fourth Elected Member for George Town.

BE IT THEREFORE RESOLVED THAT the Government considers setting up an Education Fund wherein a specific agreed percentage of all work permit fees are placed and used for the sole purpose of providing Caymanians with tertiary education, vocational training, lifelong learning and other up-skill opportunities.

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

Ayes.

The Speaker: The Ayes have it.

Mr. Ellio A. Solomon: Madam Speaker, I want to call for a division please.

Mr. V. Arden McLean: There's no declaration.

The Speaker: I will do the call again.

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

Ayes.

The Speaker: The Ayes have it.

Mr. Ellio A. Solomon: Can we have a division, Madam Speaker?

The Speaker: Madam Clerk.

The Deputy Clerk:

Division No. 16

Ayes: 14

Noes: 0

Hon. J. Y. O'Connor Connolly
 Hon. Rolston M. Anglin
 Hon. Cline A. Glidden, Jr.
 Hon. Dwayne S. Seymour
 Hon. J. Mark P. Scotland
 Hon. W. McKeever Bush
 Capt. A. Eugene Ebanks
 Mr. Ellio A. Solomon
 Mr. Michael T. Adam
 Hon. D. Kurt Tibbetts
 Mr. Moses I. Kirkconnell
 Hon. Anthony S. Eden
 Mr. V. Arden McLean
 Mr. D. Ezzard Miller

Absent: 1

Hon. Alden M. McLaughlin, Jr.

The Speaker: The result of the division: Ayes: 14, absent: 1.

Agreed by majority on division: Private Member's Motion No. 2/2012-13, Education Fund, passed.

**Private Member's Motion No. 7/2012-13—
 Government Revenue based on consumption Fees**

The Speaker: Member for East End.

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

I beg to move Private Member's Motion 7/2012-13, which reads:

WHEREAS the traditional sources of Government revenue based on consumption fees has served the Cayman Islands well;

AND WHEREAS these consumption fees are now reaching the point of diminishing returns where the cost of living for Caymanians is becoming onerous;

AND WHEREAS Caymanians pay transaction fees to Government;

BE IT THEREFORE RESOLVED THAT Government consider the introduction of a transaction fee on all Bank transactions and an annual deposit fee on all funds held on deposit at financial institutions in the Cayman Islands. Such transaction fee to be no more than 0.0025 per cent and the annual deposit fee to be no more than 0.05 per cent, and that these funds be earmarked to reduce Government debt.

The Speaker: Is there a seconder for the Motion?
 Elected Member for North Side.

Mr. D. Ezzard Miller: Thank you, Madam Speaker.
 I beg to second the Motion.

The Speaker: The Motion is open for debate; does the mover wish to speak thereto?

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

I trust that this Motion will not become as long or steeped in discussion as the previous one, but . . . I understand the Fourth Elected Member for George Town said it might not be as interesting. Well, if that's what he calls interesting, what he and the Leader of the Opposition were doing, I'm not in that today.

Madam Speaker, the call on that previous Motion was for revenue to do some of the things we want to do. I think the Minister of Education quite rightly pointed out that the manner in which we fund education, in particular tertiary education, and the amount we do, which can only be increased in the coming years, short, medium and long term. Here is maybe an answer to all of our woes. However, Madam Speaker, let me get it straight that this is not about electioneering. I have been in here long enough to know when to begin that. For whatever reason we have not reached this Motion, but because it was conceived and submitted during the time that Government was going through some tough times, the Member for North Side and I were trying to look at ways we could make suggestions.

Madam Speaker, I recognise that we are in the tail end of this session and the next session commences around the end of May. I recognise that lots of consideration may not come to fruition over the next two months, or thereabout. Nevertheless, I believe it is worthy to present it and make some suggestions and then we can see how it goes.

For many years the country, all of us, have talked about the amounts of money that we have coming through here and on deposit in this country through different vehicles, so to speak, as the fifth largest overseas offshore jurisdiction. We have toiled to ensure that we develop an environment where that is possible. Very little of it is received by Government other than the registration of companies, special vehicles and the likes. Contrary to the opinion of jurisdictions other than here, we don't get a lot out of that. And I appreciate that because we try to provide such an environment where we have always talked about the trickle-down effect we think we will get from it. We get people hired, and I know that's what all the banks and other institutions talk about, that that is the benefit to the Cayman society.

I concur with them, to some extent, that we do get some benefit. But I believe that there are other benefits that can be derived that will not run away those who come to our shores. Madam Speaker, we as a people have to pay to support that environment, that is, if legislators in the past legislated for a transaction fee on local money transactions in our banks. I believe it is twenty-five cents, or something of that nature. So, we locals have to pay that to maintain that environment, so to speak, for us all to conduct business in this country, and it also maintains that environment for others to conduct business here and Government is paid annually a few dollars for the companies to be registered in this country. I do not want to run people away. But at the very least, Madam Speaker, the Minister of Education is squealing for money to educate our people. We should at least get something out of that which is passed through.

What I have brought here is not etched in stone. I am asking to consider it. I threw out some numbers, some percentages, 0.0025 per cent, and I believe it is reasonable. I believe it is reasonable that people or institutions, banking, in this country would pay that to ensure that we maintain the environment that we have so that they can be free from . . . and their money protected whilst in this country.

Madam Speaker, the banking institutions in this country charge their clients a fee for all of those transactions. In many instances it is much more than we are proposing here. I also believe that below \$10,000 there should be no fee application. I have the rate sheet from one of the banks. Outgoing wire transfers, the Government gets nothing from [those]. We are talking about fixed rates at \$5 million; that's \$420. Madam Speaker, 0.0025 per cent per thousand is much, much less than that.

Madam Speaker, we talk about the billions of dollars that pass through this country on a daily, yearly basis. We like to brag about that as if it makes us a rich country. But it is only passing through and the Government gets nothing from it. The only thing derived from it in this country are those who handle the transactions—lawyers, bankers, those institutions. I

think if they have to pay, they need to pay to get those transactions done, because that's expensive to ensure that it's done legally and above board because we know what the OECD [Organisation for Economic Co-operation and Development] would do to us. They continue to shift the goalpost. And then they demand that we have over at CIMA [Cayman Islands Monetary Authority] a certain number of staff based on so many different criteria. I remember in 2001 we had to have a certain amount of staff based on certain transactions and the likes.

Somehow we have to manage that. We have to maintain that. And if we do not, all of the G8 and G20 start coming down on us. And then we increase taxes on our people to ensure that we maintain that environment. And yes, I believe we need to pay for it, if we are going to maintain ourselves as a financial jurisdiction, but I believe that the institutions that operate within this jurisdiction make lots of money. And I do not envy them. They continue to say that the fees that we have to charge as a Government are too high, but we need to find it from somewhere. They, in turn, charge their clients one arm and a leg, plus a heart, to do their transaction, and that's their business. I am not going to get into price control, telling them how much they should charge or what they charge their clients and the clients accept it or not. But the blame falls squarely on the shoulders of this jurisdiction, and, indeed, Parliament and Cabinet.

They say we can reduce those if we spend less money on rubbish, like building schools. Well, we shouldn't build schools because then we want to educate our people so that they can take over, which would be fine. They all grow old, die and pass it on to their children, and then ours don't get educated. *Don't worry about that; don't build no schools for \$100 million, 'cause Caymanians . . . that is going to drive up the tax on us and we can't do business.* And then when some of our own make the big sacrifice of going to law school, oh, well, that is not good enough either. The law school in Cayman is not good enough.

So, Madam Speaker, I believe that a measly 0.0025 per cent on those transactions can help this country, can assist. If that is agreed, and is done, then maybe we can reduce the cost of living and the cost of doing business because it would be negligible in one transaction, but, collectively, it would give us much money. Depending on who you talk to, Madam Speaker, you are talking about billions of dollars, trillions going through here. So, we pick up \$100 million off it. That would allow us the opportunity to reduce those fees they are talking about. But no, we don't see it from a holistic perspective. Many will just see it from their personal perspective and what it is going to do to their bottom line.

I believe their bottom line would increase. If we do that, we reduce the cost of them doing business in Cayman, because you know they are not going to simultaneously reduce their cost to their clien-

tele. They don't have to pay the fees to operate here so their bottom line would absolutely increase. I do not think it is something we should just dismiss.

Like I say, Madam Speaker, that percentage may be way off. It may be said that the industry cannot sustain that percentage. It may be .0010 per cent. I don't know. But at least it is worth considering and looking at. Consult with the industry. See what it can sustain. Madam Speaker, I can hear some of them coming back now and saying, *Oh, these people are going to run to another jurisdiction*. Absolutely, they are going to say that. If we don't look at it we will never know what the response would be. No one has ever, not to my knowledge, done a very comprehensive study on it. I know there were times when looking for revenue—and this happened during the administration that I was a part of—the Financial Secretary, the same one that is now sitting in these Chambers, would go to them and propose certain ways of raising revenue. Of course, he was disabused on many occasions on different methods or proposals put forward. We withdrew those proposals in the interest of not upsetting the applecart, because that's basically what it is. The response is always the upsetting of the applecart. *We have had it good, and if we do this we are going to have this and that*. I don't know.

I'm asking, let us look at it and do a comprehensive review to see what it is going to be. We may be surprised. We may get a surprise that prospective clients would say, *Well, I would prefer to do that than to be going someplace else to some kind of jurisdiction that is not up to scratch and not qualified to do my business. And I would prefer to do that. There may be compromises that we have to arrive at. I would prefer to do that and pay that to the Government if my lawyer or my accountant . . . if it's going to reduce the cost of doing business, I would prefer to do that and then I would get it on the other end*. We don't know. We need to look at this from an economic perspective.

I believe it is worthy of being looked at. I believe that there are many things we can do with it. I know the Minister of Education . . . and this ties in with what the Fourth Elected Member for George Town brought earlier. I know the Minister of Education. I have called him many times about scholarships for people, for children. He just doesn't have the money. But there are people out there who are worthy of scholarships and we don't have the financing for it. We can earmark it for different things, whatever it is. We have roads to build; we have an infrastructure that was neglected for some 20-odd years until recent times. We need to look for different ways of diversifying our revenue base, and there is nothing wrong with looking at all avenues to ensure we don't miss something that we have been taking for granted for too long.

Madam Speaker, I know others will speak, but I do not think I have to go on. This thing has been discussed for a very long time in this country. Everyone

in these honourable Chambers knows what I am talking about. We can proceed from here. I thank you, Madam Speaker.

The Speaker: Thank you, Member for East End. Does any other Member wish to speak?
Honourable Leader of the Opposition.

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

I rise to set out the position of the Members of the Opposition in relation to this Motion which my good friend the Elected Member for East End has brought, and my friend the Member for North Side has seconded.

Madam Speaker, I understand the intent of the Motion. Government has gone through in recent years the most challenging financial circumstances in any of our memories. This administration has struggled in every budget cycle to find means of bridging the gap between revenue and expenditure. All of us in this House have looked and continue to look for creative means of being able to address this very serious situation going forward.

Madam Speaker, it is in that context and against that background that I know my friends, the Member for East End and the Member for North Side, have brought this Motion. But I believe that we have to stand back and look at the overall position of "Cayman Inc.", if I may call it that. We exist in one of the most difficult environments globally that has ever come about. Every nation is struggling to keep things together, whether they are a first world, with very highly developed economies, or whether they are third world economies, or whether they are countries like the Cayman Islands that are still emerging and still facing real challenges about how we create a sustainable economy, indeed a sustainable society going forward.

Madam Speaker, because of the challenges we face, competition is greater now than ever and we have to guard jealously such competitive advantages as we have in this very difficult global environment. Cayman has carved out a niche for itself as a safe, sound jurisdiction that is able to provide top quality financial services and products to the world. The financial services industry is the most important of the two pillars of our economy. And so far, Madam Speaker, we only have two pillars, financial services and tourism. All of the other existing industries come from one or the other of those, whether we talk about development, construction, any other service industries that exist, they are driven and their fortunes depend on the fortunes of these two principal industries of financial services and tourism.

Of the two [pillars], financial services is the most important. I'm not for a minute saying that tourism is not important, but it is not as important. Financial services helps drive the tourism industry. I don't think it can be said that the reverse is necessarily true.

Madam Speaker, over the course of the last decade, in fact, the cost of doing business in Cayman has increased year in and year out, and particularly over the course of the past four years significant increases have been made to many of the various licensing fees and taxes which affect or appertain to the financial services industry, whether we are talking about companies fees, fees for the registration of mutual funds, all of these things have been significantly impacted by Government increases as Government has sought to try to make up the loss in revenue from other sources and meet the increasing expenditure of its own operations.

In addition, during the course of this term there have been significant increases in work permit fees, particularly those which affect the financial services sector. So the cost of doing business in Cayman has crept increasingly up and up and up. And the great question around the boardroom in Cayman, and I expect elsewhere where many of the key decisions are made about what business comes to Cayman, is: Have we reached the tipping point? How far are we from the tipping point when it becomes far more cost effective for certain of the work that is carried out here, and certain of the financial products that are bought and utilised here, to be done and effected in other jurisdictions?

Cayman has many things that attract business here, including the relative safety of the community, wonderful weather, the standard of living, the quality of life that people enjoy. All of these things go together to make Cayman an attractive jurisdiction. But when regulatory issues, difficulty with immigration, and the overall cost of doing business is taken into account, those elements which make Cayman so attractive have to be weighed in the balance and, at the end of the day, to virtually every businessperson it's the bottom line that matters.

I say all of that to say that we are at a point when you talk to people in business in Cayman, particularly the financial services sector, where there is a big question about the long-term sustainability of many elements of Cayman's financial services industry. So, it's not a question anymore in the minds of people about *there's really nowhere else like Cayman*—there are many other places like Cayman. Many of them have developed using the Cayman model, using even our legislation and our products and price them cheaper. The cost of labour is less. One of the great things we still have going for us is that there are few places in the world, outside of places like London and New York that actually have the quality personnel that we do and the range of personnel that we do which makes our system continue to work and continue to be very attractive. But we have to be very, very careful with the messages that we send out there into the marketplace about the attitude of the Cayman Islands Government to financial services.

Madam Speaker, we had what can only be called an unmitigated disaster with the policy decision taken by the previous administration to impose payroll tax. I don't think I need to remind Members of this House about the response from the business community, in particular, to that. There are some people who think that's great—*Let's make all of the expats pay us back some of their income by virtue of a payroll tax. Let that help fund all of the other things Cayman needs.* Thankfully, that was withdrawn. But the scare that it gave to those who live, work, do business and invest in Cayman, those who make the key decisions in boardrooms all around the world about the relative safety and security of investments in Cayman, I don't know that we can quite measure the damage that was done.

It's one thing to be able to measure what business we have lost, but it is a much more difficult thing to measure the business we never got because of decisions taken that caused those who make the key calls in boardrooms to pause and say, *Well, should this be Cayman or Hong Kong, or BVI or Dublin?* Those are the kinds of decisions that are constantly taken.

Madam Speaker, this Motion . . . Madam Speaker, if I could have one moment, I'm trying to find the Motion itself.

[pause]

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: This Motion calls for the Government to consider the introduction of a transaction fee on all Bank transactions and an annual deposit fee on all funds held on deposit at financial institutions in the Cayman Islands, and that such transaction fee to be no more than 00.0025 per cent and the annual deposit fee to be no more than 00.05 per cent, and that these funds be earmarked to reduce Government debt.

That Motion, if approved by this House, will send a very powerful message to all who are involved in business in Cayman. It is going to affect all deposits by anyone in any banking institution. And the message is that the Cayman Islands Government . . . well, it wouldn't even be the Government; this House . . . the Legislative Assembly of the Cayman Islands (let me be clear). The Legislative Assembly of the Cayman Islands has taken the policy decision that they are going to [put into] effect a tax on deposits and on transactions, i.e., transfers, withdrawals, whatever the case may be.

The amounts, the percentages proposed here are miniscule. No question about that. But the message that the business community will get, and that people who invest here will get, is that there has been a fundamental policy change, and if this policy is accepted and introduced by way of legislation it is only a matter of the Government increasing the figure, the percentage, by regulation or by legislation, any time

Government finds itself in a cash crunch. Every time Government finds itself with a shortfall between revenue and expenditure, the easy thing to do is for the 0.0025 per cent to be increased to 0.005 per cent, and onwards and upwards we go.

Madam Speaker, at any time, but particularly at this most difficult time in the world economy, with all of the challenges the Cayman Islands Government and the Cayman Islands as a whole faces with uncertainty all around, with uncertainty in Government with no clear direction as to where this country is going to wind up over the next little while, the last thing we need to add to that is more uncertainty, raise more questions in the minds of the business community and, particularly, the financial services industry in relation to matters such as this.

I believe the number must be somewhere around 55 per cent when it comes to the contribution that the financial services sector makes to our GDP. We cannot, in my respectful view, afford to agree to a proposal such as this because while I have no question at all about the intention of the mover and second, I believe that is all good and pure, and while superficially the proposal is very attractive to the average person because many people in this community see the financial services sector as a place in which all of the fat cats reside and make huge amounts of money and live a great and wonderful life with little of what they earn accruing to the benefit of the overall community, that, Madam Speaker, I do not believe to be the case at all.

We need to appreciate that much of what happens in Cayman is a result of the earnings of the financial services sector and the people who work it. In addition to the work permit fees, which many of them generate, when people come here to work and earn good salaries they are then able to either pay good rents, which they usually do for a little while when they first arrive, or purchase an apartment or a home, pay the stamp duty, pay the real estate commission, which trickles further down the line. They live here. They have to eat. They buy a car. They have to buy gasoline, they have to buy food, they go to the restaurants, to the bars, to the entertainment places and they spend money in the economy.

All of that, Madam Speaker, helps drive the economy. It creates the demand for more apartments, more homes, more restaurants, more shops; whatever the case may be. And it is when the financial services sector is doing well that there is lots of activity and people around and we see this spurt in development, this growth in development which allows huge numbers of Caymanians to get other employment, even those not directly involved in the financial services sector, whether it is in construction or any of the other service related jobs.

It is a very dangerous position to take, in my view, that the financial services sector is this big rich behemoth out there that is capable of sustaining all

sorts of financial pressure because *they don't do anything for us anyhow*, so the only way we are going to get anything out of them is to milk it by imposing more fees, more taxes, as the case may be.

Madam Speaker, I urge all of us in this House to stand back, acknowledging that we have great challenges to find the revenue we need to run this place, and I do not wish to be perceived as belittling this effort in any way because I believe the intentions are pure and earnest. But I believe we all need to step back and understand the big picture and that we are so close, from all of the reads that I have, to the tipping point and the problem with the tipping point is that we don't usually know quite where it is until we've gone over. We don't know how much more this is going to take. And we cannot run these sorts of risks at this time. I don't believe at any time, but certainly not at this critical time.

We have too many other competitors out there that are looking for weakness, vulnerability, and opportunities presented by mistakes which places like [ours] that have led the growth of the overseas financial service centres.

So, Madam Speaker, I hope that my attempt has gone some way to assist the thinking of this House on what I believe is a very, very important issue. Even though, as I said in response to the earlier motion this evening, this resolution (whatever it is that we agree, whether yes or no) will only have a life of two weeks. The message we send as the 15 legislators tonight, is a message that is going to be absorbed internalised, talked about, thought about, not just in the run-up to the elections, but beyond, and will influence decision-making by those who make the real decisions about what business winds up coming to Cayman, whether it be in boardrooms here or perhaps more importantly, boardrooms in New York, London, Dublin, and key places where the business drivers operate from.

So, Madam Speaker, I thank you and all Members of this House for your indulgence.

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

First Elected Member for West Bay.

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

I regard the Motion before the House as a sincere attempt to understand and try to get revenue for the country, and to do so by means of not having to strap our local population anymore than we have had to already. Having understood what the Member has said, I have my reasons for not being able to support it.

Madam Speaker, the central policy objective of the Government during the time that I led it (and I believe it is still there) was to safeguard the interest of the people of the Islands. We do play an important

role on the international stage being one of the top international financial business centres in the world. So, protecting, enhancing, and promoting our financial services industry and other business as it comes here, is central to our policy and is central to the prosperity, such as we had, and to the future growth and success.

Madam Speaker, it is good that we have a robust, effective and efficient regulatory environment with a much higher level of know-your-client regulations than many of the onshore centres. Those that complain about us truthfully have no right to do so because they are worse off. And I said so when I went on the international stage, that Cayman is much better regulated than London, or as good as London, certainly as good as New York, and certainly better than Delaware. I have said that many times, to the chagrin of others, but it is a fact, Madam Speaker. We have undertaken serious due diligence reflecting our commitments to continue to attract good business, financial services companies of the highest caliber.

Madam Speaker, having said that, having just been the Minister of Finance (up until December), we have no apologies as to our management of this country's economy to the extent that our financial services and other business has been safeguarded.

The Leader of the Opposition said many things that are true. It's a pity that when he was the first elected minister to be responsible for the financial services sector that that Member did not see the mess that he was creating. He paid no attention to the warnings of the various huge companies who did studies, such as KPMG, and gave the Government . . . he paid no attention to it when they were telling him to look at what was coming down the pike, see what's happening to us. Nothing!

And, of course, Madam Speaker, having pointed out many valid points this evening, he couldn't help himself but to go on the attack. That's what he knows best—how to attack. Not good at results, but he's good at attacking. It is still open as to whether or how much, if any, damage as portrayed by the Leader of the Opposition . . . because, he's good at that. Everything that he wants to make look bad, he can say how bad it is for the country and he travelled this and people asked him this, and he looked at this and [it] looks like that . . . yes, he's good at that sort of thing. Not good at when he's put in the seat.

Madam Speaker, the things as portrayed by the Leader of the Opposition, it's still questionable that that took place, as he said. Of course, Madam Speaker, as I said, it suits him and all others to raise the spectre of a payroll tax. He thinks that is going to get him some votes. I have the documents on who proposed that, Madam Speaker. It wasn't anybody in Government.

Madam Speaker, what he ought to remember . . . Madam Speaker, it seems like C4C has his mind. He's worried about them, because every word out of

him is C4C. But he ought to remember when the huge companies . . . since he wants to talk about damage that can be done. He ought to . . . as I said, he didn't pay attention when KPMG and such were handing him documented proof that things were happening here and we were going awry. Merrill Lynch (I think it was), and other huge companies were leaving these shores. I hope he understands that that took place under his leadership and that was the cause.

Today, Madam Speaker, as much as he wants to talk about any attempts to raise revenue, because what we attempted to do was to raise revenue. But when you can't get somebody to agree one way, perhaps you can push him by saying, *Go that direction. Go right*, when you want them to go left. Perhaps he doesn't understand those kinds of maneuvering. No, he doesn't. But he ought to know that there were those in his camp who were saying go forward with it. Some are still in his camp right now.

Thank God, Madam Speaker, that in spite of all he said, the economy was so well managed that Cayman still maintains an Aa3 credit rating. He doesn't need to try to throw any cold water on it. He's good at that too. But if they blame me for everything under the sun that went wrong in this country, when something goes good, it must have been me too, *nah?* If it came from under my Ministry!

But they are so worthless sometimes, Madam Speaker, that the truth can't be told by some of them. Cayman still maintains its Aa3 credit rating in the face of the global conditions that exist, in the face of the United Kingdom losing theirs, in the face of the United States losing their credit rating, in the face of France losing theirs, Madam Speaker. And, Madam Speaker, it wasn't because we found a good situation from him. Not with close to a billion US dollars in loans, not with the deficit that we had to face, not with the borrowings that we had to borrow, it wasn't because of that. That was left by him!

It wasn't because there were no scandals, Madam Speaker. Scandal upon scandal, and so-called doctors that were not doctors. Still can't find them. And, of course, there was no investigation because the Governor was busy doing something else and plotting something else. So, he wasn't looking at Syed, or trying to find him. No! Three hundred and fifty thousand dollars on a credit card wasn't anything. Buying his girlfriend cars wasn't anything. Buying his girlfriend chains and jewelry wasn't anything. That was good.

Madam Speaker, let me tell you, when they want to talk about the things that can damage, they better look good and think hard before they go pointing fingers. Go pointing fingers?

[Inaudible interjection]

Hon. W. McKeever Bush: Well, I figured he would say that too.

[Inaudible interjection]

Hon. W. McKeeva Bush: No you don't.

Madam Speaker, let's get a few things straight here: The president who was supposed to be a doctor was not hired by us in that University College. He was hired there, but he wasn't the president. He was hired as president during the period 2005 to 2009. That's a fact. But, Madam Speaker, leave him aside. All I am saying is that when you point fingers and want to talk about what can destroy the economy and what is going to create doubts, and what people are going to ask questions about, think back. But don't think that you are so lily white, or that you are such an angel, or that you know it all, or that you have all the education in the world, or that you have all the answers; that you didn't do wrong.

Madam Speaker, I can say that in spite of all the prophesying that was done about how bad things would have been, how bad it was that we . . . that the prestigious rating agency Moody's still rates us Aa3. That's what is killing some of them. That just didn't happen, Madam Speaker. It took careful management. It took criticism, it took licks, it took accusations, and I took it. And the Government took it because we were all part of the management. So let's not blow things out of proportion.

The Motion came here, I think, as a good attempt to try to get revenue. And a lot of people over the years have been talking . . . this is not new, you know. A lot of people over the years talked about this. As a Government it was put to us. It was put to me as Finance Minister. But we dared not go in that direction. The advice was: *Don't go there*. I don't know if we had attempted that one what they would have done us.

Madam Speaker, in speaking about the financial services industry, the UDP is committed to a financial services industry which is transparent and maintains high standards of integrity. And, that commitment will ensure we continue to attract a level and quality of financial services business commensurate with our standing as one of the world's largest financial centers. We have people who work hard to ensure that we maintain that standing. We have put in place, the right regulatory system, a tax group headed by the Honourable Attorney General. We have signed some 27 (I believe), or we signed over 23 . . . 30 in place. I believe there are still more that were signed which should come in force soon now.

So, Madam Speaker, we are not shunning our responsibility. And they are not the Faroe Islands, Madam Speaker, or Mosquito Quay. They are solid G20 countries, and G8 countries. When I had to travel—and take the licks for the travelling—and others.

[Inaudible interjection]

Hon. W. McKeeva Bush: Oh yes. It is true, Madam Speaker, I am quite relaxed and at rest. But when people try to raise the spectre of what has been done here this afternoon, it is unfair to the House. It is unfair to the House so correction has to be made.

What it is going to take, Madam Speaker, I believe, is a serious diversification of business in this country and for us to utilise and leverage our assets that we have. No, we can't let people walk in and take it away, but we must welcome them, sit with them, work the best deal with them, whether they are local or foreign, and get what is best for these Islands. And I believe that all of us (most of us, if not all) want that. I see that attempt this afternoon, to look for something for the future of this country that we do not have to kill our own people in getting, or helping them. Go right back to the other motion. It is an attempt. We agreed on that motion and we are going to need money to do it. We have to find it somewhere.

So, all of those people who think that getting elected to this House in the next parliament is going to be a cake walk are making a big mistake, Madam Speaker. It is not going to be easy for the management of this country to find the wherewithal to do the things that are necessary for the people in the rising expectations that exist in our Islands today. Not easy, Madam Speaker, when we go to our constituencies and they want the roads. They want the good infrastructure. And the truth is, with 50,000-odd people and a first world economy, poverty should be at the lowest. You know, we need to ask ourselves when we as legislators are voted in, how goes our business.

Take a look at how the administrations of the past could build this parliament, build that court house, build the dock, build the roads, build the hospital, build the glass house in four years, very little loans. Mind you, that was 30 years ago too. But we must ask the question of how come they got it done. There were accusations, you know. Don't forget. Government lost because of it. There were accusations. People lost their seats because of it. Oh yes. Not just building the dock with any given company today. Back then it was the same thing. But they could get it done because there was no bureaucracy in the country. They could go out and do it!

Think back. We could get the duty free regime. We could get the oil companies. We could get the airport. We could get the airlines. We could do all of that because there was very little, if any, bureaucracy in the country. And most of the administrators of the day chose to work with the government of the day to see that they got their work done rather than trying to accuse them. That's what the administrators of the day did.

But think back on the business model. Think back how much we have progressed or where we have progressed to—one court house, with what? Maybe less than 30 lawyers back in 1972 to 1976, maybe 30 lawyers. Today we have 500 and we can't

afford to build the court house. We can't afford to do some of the other things. Think of it! So, should we not ask ourselves then what kind of business model do we have as a Government? And how much do we need to revamp it? And how much should we look at it? And who should be paying for it? Should we place it on the backs of the poor people in this country, who are making little, or nothing? I don't think so. It must be them who can retire at age 40 with \$40 million and say that that is how much they are going to spend on the campaign.

[Inaudible interjection]

Hon. W. McKeever Bush: They are the same ones. You are correct.

Madam Speaker, it's not going to be any cake walk. It is not going to be an easy task in the new government. No. It is not. But we are going to have to put the policies forward to protect, enhance and promote the Cayman Islands, to continue to do that.

I am glad that I started it. I am glad the delegations went. And we did some of it. It can't be done in one term, Madam Speaker.

So, I don't want to drift too far, but I think the Leader of the Opposition widened the scope for all kinds of things to be said. All my advice to that young man is, stop pointing fingers and examine [your] own basket, see what [you are] carrying around. So, while I want to congratulate the Members for their thought process, we can't support the Motion.

He is asking me to sit down, and I'm going to comply.

The Speaker: Honourable Premier.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Madam Speaker.

The Elected Members for East End and North Side, respectively, have introduced Private Member's Motion No. 7/2012-13, which calls for a transaction fee on all Bank transactions of no more than 00.0025 per cent, and annual deposit fee on all funds held on deposit at financial institutions in the Cayman Islands of no more than 0.05 per cent.

Madam Speaker, there is no easy way of estimating the potential revenue from the first proposal, as this data is not currently collected. We respectively submit that it would require a much more detailed study using the range of financial, banking and taxation experts. However, it is important to note that such a fee would be passed on to the customers at a time when interest rates on savings are at its lowest.

As tempting as these two proposals appear to be, Madam Speaker, it is quite unlikely that the revenue foreseen will be attained or sustained, given the nature of the financial services within this jurisdiction. International banks have offshore operators in several other jurisdictions and we believe that they will place

those funds where it is most efficient and cost effective. With increased cost either through transactions or the size of deposits, banks and other financial institutions are likely to re-route those activities to other jurisdictions.

In fact, Madam Speaker, the Dodd-Frank Act in the United States has removed some of the economic incentives for US banks to continue to place their funds in the overnight sweep accounts in the Cayman branches. If transactions and deposit fees were to be introduced we believe they could further incentivise those Cayman branches of US banks to exit our jurisdiction.

Another important point to consider is that none of the international financial centres which we compete with, as far as we are aware, are proposing similar measures. Such fees would place us at a significant competitive disadvantage. Nevertheless, Madam Speaker, this will have a dampening effect on the movement of capital we believe. The free flow of capital is the lifeblood of international financial centres such as the Cayman Islands. These types of transaction taxes have been under discussion for some time, in particular in the European Union, and they have been unable to come up with a workable model to date.

We must set policies that won't drive away the capital, but, rather, encourage more inverse investment in capital to our shores. Financial businesses in the Cayman Islands are dependent on the free flow of capital to create jobs and to keep our local economy buoyant.

Madam Speaker, the movers of the Motion may have information which might indicate that the Motion's second proposal could generate a substantial amount of revenue for the Government. However, it is important not to fall into the trap of believing this would be an annual recurring amount. Certainly, there may be revenue earned by the Government in the very first year if the suggestion were indeed implemented. However, we believe that thereafter it is very doubtful that such a substantial amount would be received by Government.

Moreover, Madam Speaker, another reason for caution is the fact that the Government is not aware of our competitors implementing such a levy on bank deposits. It is significant to note that the way the Motion was worded would also, we believe, have an impact on the local customers.

We, on the Government Bench, believe that the mover and the seconder had the very best intention for the Motion. But at the risk of the capital being removed from our jurisdiction, we believe that is much too risky and, unfortunately, the Government has no other option but to not support this Motion.

Thank you.

The Speaker: Thank you, Honourable Premier. I am going to take a 10 minute break at this time.

Proceedings suspended at 6.28 pm

Proceedings resumed at 6.51 pm

The Speaker: Proceedings are resumed. Please be seated.

We were debating Private Member's Motion No. 7/2012-2013 [Government Revenue based on consumption Fees]. Does any other Member wish to speak?

Member for North Side.

Private Member's Motion No. 7/2012-13— Government Revenue based on consumption Fees

[Debate continuing]

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

Let me begin by making it clear what the mover of the Motion and I are asking the House and the Government to do, and that is to *consider* the introduction of a transaction fee on bank transactions and annual deposit fee on all funds held on deposit at financial institutions in the Cayman Islands. We are not asking Parliament to implement a fee. We are not asking the Government to implement a fee. We are asking the Government to *consider*. Any consideration of such a matter would involve a proper economic analysis of it and it would be quite acceptable to the mover and me, for the Government, having done a proper economic analysis, to say, *It's a bad thing to do. We're not going to do it.*

But, Madam Speaker, this idea of a transaction fee on monies has been around the political arena from as far back as the 70s. And each time it is brought up, the banking industry, the financial industry here, very, very powerful lobby, Madam Speaker, does not give any opportunity for any reasonable consideration of the matter. They simply say it cannot work, and it's a bad thing to do. But in the same breath the very banks that are telling us it is a bad thing to do are charging and increasing on an annual basis their own transaction fees. And the clients are quite happy to wear that.

As the mover said, we are not saying that 0.0025 per cent is a magic number. We are saying it should not exceed that. But when you look at their published fees, for \$5 million (for which we would be asking \$250) they are charging \$781. I understand that those fees are likely to be increased very soon.

Madam Speaker, when they talk about rejecting the deposit fee outright, they are trying to convince us that some client of theirs would rather pay them \$790 (or more or less) to transfer the money for them to some jurisdiction in which they are going to be taxed, or to some other jurisdiction in competition with us, which doesn't have the quality of service that we

have, rather than pay less and keep it in Cayman. Madam Speaker, that doesn't wear very well with me because I don't believe they would do that. But they are quite happy to have a single mother in North Side writing a cheque for preschool or for groceries at the supermarket to pay a twenty-five cent transaction fee, and that's not affecting anybody.

We just had the recent case of HSBC. What never ceases to amaze me is that when these institutions get in trouble they come running to the Government to protect it. And the Government has to spend all kinds of money and PR, and sign all kinds of agreements for them to continue to make their money. HSBC, if my memory serves me correctly, was fined \$40 million by the United States Government, and kept their licence. What did we do? We did not fine them anything and cancelled their licence for one small component of the business in Cayman. We could have probably gotten enough out of them to contribute towards the building of a good court house.

But it happens time and time again, and we continually are forced as legislators to tax our own people. Yes, it is true, Madam Speaker, some of them pay. But some of them do not pay either because they can afford to go to the United States and buy a 20 foot container of stuff and bring it in and share it amongst themselves. The average housewife, or person that I represent in North Side, cannot do that. They have to pay whatever they charge and the duties locally.

We have a situation that is brewing, particularly with the legal fraternity, where one of their own, Madam Speaker—not me! Because when the Member for East End and I say it, they say we are not in the business so we wouldn't know. But when he says that they have made \$1.2 billion over the last decade by doing the illegal transactions, that is, hiring foreigners, making them put up a shingle saying they are Cayman lawyers, they are charging the fees, they are coming to these people, and they are only doing business there because in their view it is cheaper work permits, cheaper lots-of-other-things, so they make more profit on the same transaction. When you try to get them called to the bar we get shifting and avoidance, and it's somebody else's responsibility. Well, it really is the Attorney General's responsibility for discipline, and the information that you have provided is not enough to prosecute them.

I never suggested that the information I provided was enough to prosecute them. I said I believed the information I provided was enough for the police to investigate them. But we pass it by and we can't trouble them because they are the only people who are bringing money to the Cayman Islands. They are providing employment for Caymanians, they are doing this for Cayman and they are only here for us Caymanians. If they weren't here we'd all be fishing in our catboats. So, therefore, we can't question anything that they do.

One of the reasons they tell you, *Well, we have to do this stuff over there because people want instant response*. Madam Speaker, there is an easy response to that, you know. Operate in Cayman 24/7. Hire some more Caymanians and operate 24/7, immediate access.

Madam Speaker, what needs to be done about this transaction fee, that many Caymanians in the industry and on the street believe is a good source of revenue and could have the potential that the Government, would be able to remove some of the other revenues that are causing cost-of-living increases . . . what we are asking in the Motion is for the Government to consider it; do a proper economic analysis. And something else might pop up. Foreign exchange might be a better way to go.

I have said repeatedly that the banks are making 5 per cent profit on every US dollar they sell and the Government is getting nothing out of it. Yet, we have to make sure that the Cayman Islands currency is properly backed. We have to print the money for them, all sorts of stuff, but they are not willing to share, even give the Government revenue, two cents out of the four cents.

Madam Speaker, again, we are not talking about \$100,000 a year; we are talking about millions of dollars that the Government could get from this kind of revenue. But because it is the banks making it and they are employing Caymanians, and they are providing this and that, we can't ask them for anything other than if you want to increase the licence, we go to them with cap-in-hand begging them if we can increase the licence.

The Leader of the Opposition mentioned the tipping point. Madam Speaker, I can remember them coming to us in 1990 and telling us we had passed the tipping point and we couldn't increase any more fees because they don't want to share their wealth with the country.

One of the things that Mr. Ian Paget-Brown said at the opening of the court was that when he came to Cayman the lawyers and the financial industry sold Cayman. And because they sold Cayman, Cayman benefitted and they benefitted. But what they are doing now is selling themselves and their firm at the expense of Caymanians. And when Caymanians go and get themselves qualified and knock on their door they treat them like thieves and criminals and won't even interview them with their qualifications.

Madam Speaker, the Member for East End and I, in my view, have done our job. Part of my job, sitting in this Legislative Assembly, is to try and find ways to raise revenue from different sources other than the direct charge to Caymanians. I believe that if the Caymanians are expected to pay a transaction fee on every action that they do at a bank, those people who are making the great sums of money through international transactions should pay it too. Right?

What I hoped the Government would do is to say they would consider, they would do the proper analysis, leave it at the Government Administration Building for any new Government (if it wasn't finished before the new Government was sworn in, it might be them. It might be some other people, I don't know), they could look at it. If it's bad, publish it as bad; put it to rest once and for all. If it is good, implement it to the benefit of the country. There was a request from Parliament and, therefore, if such a study were done it could not be kept up in the Glass House and only shown to certain people unless you go the FOI [Freedom of Information] route. The report would be brought back here and everybody would know whether it's a good thing or a bad thing.

Madam Speaker, I believe that there is room for a transaction fee. I believe there is room for a deposit fee. And I believe that it would be less onerous on the average Caymanian because we could . . . if it is as successful as some people believe it could be, and generate the kind of revenue that it has, we may be able to remove duty altogether. At 0.0025 per cent, based on numbers from CIMA documentation (what little they do have) we are talking about hundreds of millions of dollars. We only make somewhere around \$100 million total from the 22 per cent duty that we put on everything coming into the country. It may be an opportunity to reduce the cost of living by 15 per cent or 20 per cent. But we won't know unless we do the proper economic analysis of it.

We should not continue to simply reject it because the financial industry lobby is so strong. The Government has a responsibility to the people to do a proper study of this matter and if it is bad put it to rest. If it is good, put it in place and let the people benefit.

Madam Speaker, it is obvious at this stage that the only two people who are going to vote for this Motion are the mover and myself. But as the First Elected Member for West Bay can confirm, that is not an unusual position for me to find myself in when I believe in something. I will be proud to have brought it and to have voted yes.

Thank you, Madam Speaker.

The Speaker: Thank you, Member for North Side.

Does any other Member wish to speak?

[pause] Does any other Member wish to speak?

The Minister of Education.

The Deputy Premier, Hon. Rolston M. Anglin: Madam Speaker, I hope not to prolong the argument. I just hope to add a context.

Madam Speaker, this debate has been around for quite some time. Whilst there are loads of things in this life that I do not know much about, I do believe that I learned quite a bit from my days of auditing these organisations and having to understand how the economics and the business works.

Madam Speaker, I don't need any lobby to tell me that this can't work. I also don't need any lobby to explain to me how these sweeps work, how the deposits that held here work and why they are in Cayman and the risk that we have in place versus other jurisdictions. So, I don't know where the lobby comes from that the Member for North Side spoke to. What I can clearly tell this House is that the views that I am going to put forward are my views based on what I know exists in the financial services industry.

Madam Speaker, I believe, as all Members have said . . . and let me be clear about this. I believe that the two Members have brought to the House an issue that has been raised time and time again. I can remember there was a particular publication in this country, namely *Cayman Net News*, where the editor (the late Mr. Seales) actually editorialised this issue and put his view forward as to why it could work. It is a very logical argument when you look from the outside and say, *Here's what Cayman has*, in terms of a banking centre, in terms of our deposits on hand, and when we look at the amount of money that is transferred in and out of our banking system. It all seems very logical.

I believe that the two Members who brought the Motion brought it not only because they believe in it, but because they see it as holding potential to help us with our revenue woes, and you can see that in the fact that they are proposing that it be tied to reducing national debt, which we know is at a level that is way too high for such a small community.

But, Madam Speaker, let me say that Cayman's financial industry and its success has at times benefitted from the actions of others and not necessarily our actions. Cayman had much business flood into its shores, in particular in the banking sector, when other jurisdictions in this region stated publicly certain positions. So, whilst I understand the point being made by the Elected Member for North Side, to accept it as a proposal and go and study it, I am much afraid from where I stand that just going that far will send too negative a signal to what remains of our banking sector.

I believe that what ought to happen, and I have already been in contact with two persons in the financial industry, both with extensive banking and audit experience, to put together a position paper on this matter because I agree with the Member for North Side that we need to put this matter to bed once and for all. We need to stop having all of the pontificating with this one saying this could happen and that could happen, because here is where this argument is so sexy. Look at how miniscule this percentage is.

When you are talking about, I think they said on the transfers no more than 0.0 . . . I think it was three zeros. I am looking for the Motion, Madam Speaker.

[Inaudible interjection]

The Deputy Premier, Hon. Rolston M. Anglin: Okay. It is 0.0025 per cent which is even less than 0.0025 because you have to divide that by 100. So, the real number is .000025. And just so that I am being followed, "per cent" means to divide by 100 per centum, per hundred.

Madam Speaker, I saw a friend's eyebrows go up—not the Member for George Town. So, I just wanted to clarify the point I was making.

So, Madam Speaker, this is from all optics a miniscule percentage. So the public out there would naturally say, *Hold on! If this percentage is so miniscule, how could it be that that would run any risk to us as a jurisdiction?*

Let me first give an example of some of the types of businesses that we still have which we have attracted over the years. We have a number of subsidiaries of much larger banks in other countries that use the Cayman Islands as a booking centre to park funds. Some of them also use Cayman for trade finance for their domestic clients who may need to transact business in countries that will only want to do business with a banking centre of our stature. Let me give an example.

You have some Central and South American banks, very reputable banks with a Cayman Islands branch with high net worth clients who need to do business, let's say for example, with businesses in Japan. So let's say it's a bank from Brazil, whose Brazilian client wants to do business with an exporter in Japan, but they need to have some form of letter of credit in place to transact the business. Lots of those letters of credit run into tens of millions of dollars; some even higher. In order to do the transaction the client has to park and place in Cayman a substantial deposit to underpin the letter of credit.

The Cayman branch therefore has a decision to make. Do they simply leave the monies "deposited" in Cayman? Or, do they it as part of a wider strategy for sweeping funds in and out of other countries? So, you have some of those who still sweep monies on-shore to other countries for overnight a week, two weeks, three, four weeks. Those monies simply float in between those branches and they do it for many reasons. Some of it is regulatory. Some of it is to ensure that they can get . . . well, all of it is obviously to ensure they can get the best possible return. And so, Madam Speaker, when they do that (and they do that 365 days a year) on a relatively large book of business, it winds up being a fairly profitable venture.

One might say if that branch makes \$10 million on that, why would they be so ungenerous as to not want to pay up a little pittance of 0.0025 per cent, or .005 per cent on the actually deposits? Why would they and their customers not want to? A very simple matter, Madam Speaker! As the Premier has said, many of our competitor jurisdictions do not have the fee. If the entire world had the fee then there is very

little risk to us. But if no one has the fee, just because those businesses have kept branches open in Cayman today and are paying a licence fee . . . and if you go and look at those licence fees, we do make a fair amount of money out of the banking sector. So, those who say we don't make money out of a lot of these sectors need to examine the budget document. We make a fair amount of money from our class A and class B banks.

Madam Speaker, you run the real risk that they will then look at their business and say, *Hold on! Why should I stay in the Cayman Islands and be subject to a fee? I can go somewhere else and simply not have the fee.* The other real risk that we lose then is, not missing the revenue we projected, they will then have to question why and if they need to keep the licence in Cayman in the first place. So, not only are we arguing and debating around whether or not this can materialise and be consistently collected into the Treasury. We also have at stake, the actual licence fees these entities already pay. And, there are a number of them that have a physical presence in Cayman with staff.

One of my biggest clients (when I was in my former profession), a staff of four people whose New York office handled all of their accounting for their general ledger, had a dedicated line provided by Cable & Wireless at the time so that they could view their GL [General Ledger] and do their transactions. Four people oversaw an entity whose balance sheet was over \$2 billion, with all of the work being done in New York. This is all they did, files of letters of credit and other forms of international trade and finance instruments, deposits underpinning those transactions.

The manager's biggest job here was actually managing his portfolio to ensure he knew he was managing all of his maturities and could place things on the appropriate length of sweeps, whether it be overnight, the 7-day, 14-day, et cetera. That entity wound up ceasing use of its New York office in that way and grew up to somewhere around 12 people; again, employing more Caymanians. When I did the audit [there was] the bank manager (a Brazilian banker who could speak Portuguese knew Brazilian banking rules and law) and three Caymanians. That was the staffing complement. Of course, more Caymanians got hired as they increased their footprint. I just use that as one example.

So, it's easy for us to only see the licence fee they pay. But we also have to understand that with a large number of these institutions, they not only pay the licence fee, but the business they actually conduct causes many Caymanians to be employed.

We had institutions that hired people who did nothing but booking transactions on their wire systems. That was their job; supervisor, persons who did it. So, real job creation has come from the banking sector. The banking sector has gone over a real substantive change over the last decade and a half. We

have gone from 500-plus banks to around 247 bank licences in Cayman.

I believe that if the House accepts this proposal it is going to send a signal that is going to cause a shockwave throughout the industry. It's easy for us to stand here in this Legislative Assembly, 15 of us, with a real meeting of the minds to say, *Well, really, Government, what we really, really want to do—some of us believe it can work, some of us believe it might not—Government, accept the Motion, do this feasibility study and come back.* But what happens when people react? They get the headline, and the headline says that the Cayman Islands Legislative Assembly accepts a motion, and that triggers a thought process of, *Well, this looks like there's a real possibility that this is a public policy position that could result in legislation sometime down the [INAUDIBLE] implementation.*

So, I believe that, certainly from our perspective on the Government Bench, we would much rather give an undertaking that we will work with the industry—not Government saying it, not politicians saying it, but the practitioners who can put together a proper position paper for us and the community. This isn't just about us. As the Member for North Side said, this has been talked about for donkey years. And the truth is that unless we put it to bed it is going to continue to be talked about because it looks so pure, it looks so innocent, so benign. It looks like a real viable solution.

In fact, all of us probably know a number of people in the community who have spoken to us at great length about this issue. Certainly, I have had my share of conversations. And it has been my share from 2001, when it really reared its head.

Here's the thing. I am not going to claim to be any expert on anything. I don't know anything mechanical. So when I have a mechanical issue I go and find some engineer to solve it. But if I have to give advice on something that I have seen—not somebody telling me, seen the industry, seen the realities, seen how it works—then I have to move and form my opinion based on what I have seen and experienced. Sometimes it seems as though Caymanians don't like to believe other Caymanians. So, I think with this one we let some of the people that might not be too interested in running for politics and that sort of thing, but who have been around here for a little while, do the review and the study. Hopefully then, those—

[Inaudible interjection]

The Deputy Premier, Hon. Rolston M. Anglin: That might be true.

But, certainly, I think Members know what I am talking about. I think we need a good review, a good report and at that point I think we will be able to have the community really see that this ought to be something that we not necessarily go down the road of doing.

I can say, Madam Speaker, that ultimately the Member's view of different sectors of our industry and in particular some of the real vexing issues that are facing sections of our industry are matters that certainly, God willing in the next 11 weeks or so when a new Government will have been sworn in, need to be tackled forthwith. I agree with him completely on that point and we need to really stop talking about a number of these issues and simply get it done. One way or the other we need to put some of these matters behind us. We need to try and ensure that we grow the industry, increase opportunities for Caymanians and ensure that we market and defend the industry appropriately so that we not only protect the valuable amounts that it contributes to our budget and our economy, generally, but that we can increase those.

What we can be assured of, colleagues, is that there are many countries out there salivating and waiting for us to slip up, because this country, whilst we may have had a rough patch over the last few years, what I can say is that we still have a book of business in banking, captive insurance funds, exempted LPs, that are the envy of the world. And if we are not smart about how we defend it, promote and enhance it, we will lose it. It is not here to stay. And we need to get it out of our mind that people ought to just do it out of the goodness of their hearts, and it's not a lot of money. That is not how the world works. Plain and simple!

A hedge fund manager in New York owes nothing to us about raising funds for our scholarships. He owes his duty to his clients. Bottom line is that we have been creative through our legislation with products that they like to buy and use. We have to start understanding that these are our customers. These people come and shop in Cayman. And for shopping in Cayman they are giving us a substantial contribution to our budget.

The fact of the matter is that too few of them actually have a physical presence or come and visit Cayman. We need more of them setting up shop and visiting our country. That is what we need. That is when we are going to really exploit those key relationships that we have. We need to be working closer with our auditors, our lawyers here, on the ground who have real relationships in the big centres, around ways in which we can leverage those relationships for the benefit of our Island. That, in my mind, is a real, real untapped potential that has sat there for a long time. We have talked about it year after year, but we have not sat down and been strategic about how we try to maximise what we have in front of us.

So, Madam Speaker, I am hoping that the commitment to get a working group together to put a proper position paper on this is one that can satisfy my colleagues, the Elected Members for East End and North Side, so that we can actually do what the Member for North Side said. I can say that whilst the Motion is one that I admit makes me nervous just hav-

ing to debate it (because you don't know how some of our competition is going to spin it), at the end of the day it reminds us of something that has been out there for too long. As a community we need to simply document our position and put it to bed once and for all so that all and sundry can see what the industry is about. Remove the opaqueness and non-clarity and demystify it and ensure that we understand that there are benefits that we get out of it, not just through fees, but also through employment. But we cannot kill the goose that lays the golden egg.

Thank you, Madam Speaker.

The Speaker: Thank you, Honourable Minister.

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

If not, I will call on the mover of this Motion to conclude the debate.

Member for East End.

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

Madam Speaker, I have been here before on a number of occasions in these 12 years of representation in these hallowed chambers.

I like how everybody is saying that the intent was good. It reminds me of sweet and sour chicken.

[Laughter]

Mr. V. Arden McLean: Madam Speaker, I am the last person to want to kill the financial industry. Last person! For the benefit of the Leader of the Opposition, I too understand the value it is to this country. So much so, he will recall that I was the one who wanted to set up a joint office with government and the financial industry, so that we could ensure that the financial industry remained robust. Cayman finance (as is now) was my vision, but jointly with government, each of us paying half of the expenditure to deal with it. So, Madam Speaker, far be it from me to want to destroy our financial industry.

But I do know that this issue has been kicked around for a very long time and all of us, even those of us in here now, and long before now, were not bold enough to say it. Oh how time makes us forget what we have said. I like the Minister of Education and his contribution. But oh, how 10 years can make you forget. In the latter part of 2001, he advocated the introduction of additional fees on the industry!

The Deputy Premier, Hon. Rolston M. Anglin: Not ones that will kill it.

Mr. V. Arden McLean: Not ones that would kill it, but . . . Since then, as the Government, they increased more again. The Leader of the Opposition said so. I'm only repeating what he said. And they got them on

their knees again. But I am going to read something at the end. I will leave this country with paragraphs from a song that I like.

Madam Speaker, it is not my intent to kill the financial industry. But I know that when the financial industry tells us that the cost of doing business in this country is prohibitive and they are leaving because of it, not one person in East End has anyplace to go, because we have saddled them with the cost. They have to do it too. And they can't find a job.

What do we do with them? They are saddled with it, and we have to deal with them. I am merely asking that we look at something different. And you are going to tell me that it's going to kill the industry? I never in my life heard more prophets of doom than what resides in here. But you know what? I can safely conclude that the timing of this Motion could not have been worse. It's too close to the election.

The Leader of the Opposition said that what makes us attractive is the many good qualities we have in this here country—the standard of living, this and that. I agree with him, Madam Speaker. The quality of personnel makes our jurisdiction a place of attraction. And then, whilst that is true, no one believes that a miniscule (it was described by the Minister of Education and the Leader of the Opposition as “miniscule”) fee would be a disincentive to everyone. That may be true, Madam Speaker. Obviously, I am not going to further this argument by standing here and arguing about it, because Parliament has said it will not look at it. The Minister of Education is saying that he will give an undertaking that they will review it. I don't know how much I can rely on that; he's in campaign mode.

My intent, Madam Speaker, is to try and find some other way. If you do not want to do this, then why does the Government not bring a motion about gambling? Let's go at that one! Oh, but the Christians are not going to re-elect them. That's what would happen.

[Inaudible interjection]

Mr. V. Arden McLean: Madam Speaker, you hear? Referendum!

Now, that was the worst word in this country when the Leader of the Opposition started talking about it for the Constitution. All of a sudden referendum is the best thing since sliced bread. Ah! Oh, how time can erase our memory. Oh, how time can erase memories and change our direction, like squab when shadow hit him.

[Laughter]

Mr. V. Arden McLean: Phew, gone in another direction! As soon as the boat run over the squab, or you are shifting the boat, or making a little noise, gone in a different direction.

Hon. D. Kurt Tibbetts; Skidding sideways.

Mr. V. Arden McLean: Skidding sideways on their side.

[Inaudible interjections]

Mr. V. Arden McLean: Yes.

Madam Speaker, the Premier has said that there is no data available to make any decisions. That is precisely what I am saying. Let's try to find some data. She also said that the free flow of capital is what drives us. I totally agree. But the free flow, it's not coming our way.

Madam Speaker, you know I find it quite hypocritical on the part of these industries. I am not envious of them making money. But are they going to continue to make money at the expense of 600-and-odd residents in East End? They have to pay the taxes and here we are trying to get help, and we . . . Madam Speaker, obviously, the Minister of Education . . . you want me to give you a little time so you can debate again?

[Inaudible interjections and laughter]

Mr. V. Arden McLean: Madam Speaker, I think I need to make it very straight to this country because I know this same financial industry considers me a cowboy. And they mustn't do that. I am not a cowboy in my country. But they must understand that they are living in this country and they must support this country. And because I speak, does not mean that I am trying to destroy my country. Far from it! But every time I open my mouth, I am the cowboy; I am the renegade, whatever they want to call me. But I am not.

Madam Speaker, there are many instances where people in that financial industry have decided to outsource the stuff they are doing here. If they are so concerned about the Cayman Islands and the residents of this country, why are they outsourcing everything? I have said it before. Our sidewalks are littered with the carcasses of young lawyers. They don't want to hire them, because they don't want our young lawyers to get a piece. And every time this country, the legislators, the Government, increases fees they cry doom. They cry doom, but nevertheless they retire at 40 years of age with \$40 million or \$50 million in their pockets. It is all about self in our country.

[Inaudible interjections]

Mr. V. Arden McLean: Whether they run or not, tell them East End is where I'm at. Come look for me there.

Madam Speaker, I am not envious of these guys, especially if they are Caymanian. But share. I am happy for them. Share. Promote and maintain

what was put here for you, the vehicle that was put here for you to be able to do that. That's all I'm asking. If not, the transaction fee, tell us how *nah?* That's simple; just tell us how. Maybe a little sharing in that \$40 million, you know. For the country I'm talking about; not for me. Give the country a little more. That's all.

But, Madam Speaker, it's obvious the four legitimate Members of the Opposition, the four illegitimate Members, the five Government members (what do they call them again?).

An Hon. Member: The handful.

Mr. V. Arden McLean: The handful has decided not to support it. That's fine. I don't have a problem. I am not mad. I am not upset with them. But at least I know in two weeks' time this parliament will be dissolved. I guess by 29 May we will see a different scenery inside here, with or without me, but if not me, Madam Speaker, my advocacy for this country will not stop, and for the people.

[Inaudible interjections]

Mr. V. Arden McLean: Madam Speaker, I will not be that bold, as the First Elected Member for George Town, who said it, not me, God help us. No, the country can run without me. But, you know, we will survive.

Madam Speaker, I am not going to change anybody's mind in here. I see the Leader of the Opposition is ignoring me, and the likes. And the First Elected Member for West Bay has already dismissed me. But, Madam Speaker, before we go I leave with a couple of verses out of this song, *The Last Resort*, by the Eagles, that people should take note of. This is the Eagles speaking about California.

**Some rich men came and raped the land,
Nobody caught 'em
Put up a bunch of ugly boxes, and Jesus,
people bought 'em
And they called it paradise
The place to be
They watched the hazy sun, sinking in the sea**

**Who will provide the grand design?
What is yours and what is mine?
'Cause there is no [more] new frontier
We have got to make it here**

**We satisfy our endless needs and
justify our bloody deeds,
in the name of destiny and the name
of God**

**And you can see them there,
On Sunday morning**

**They stand up and sing about
what it's like up there
They call it paradise
I don't know why
You call someplace paradise,
kiss it goodbye**

The Speaker: BE IT THEREFORE RESOLVED THAT Government consider the introduction of a transaction fee on all Bank transactions and an annual deposit fee on all funds held on deposit at financial institutions in the Cayman Islands. Such transaction fee to be no more than 0.0025 per cent and the annual deposit fee to be no more than 0.05 per cent, and that these funds be earmarked to reduce Government debt.

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

Ayes and Noes.

The Speaker: The Ayes have it *[sic]*.

[Laughter]

The Deputy Premier, Hon. Rolston M. Anglin: Madam Speaker, can we have a division please?

The Deputy Clerk:

Division No. 17

Ayes: 2

Mr. V. Arden McLean
Mr. D. Ezzard Miller

Noes: 10

Hon. W. McKeever Bush
Hon. J.Y. O'Connor-Connolly
Hon. Rolston M. Anglin
Hon. J. Mark P. Scotland
Hon. Cline A. Glidden, Jr.
Capt. A. Eugene Ebanks
Hon. Dwayne S. Seymour
Hon. D. Kurt Tibbetts
Hon. A. M. McLaughlin, Jr.
Hon. Anthony S. Eden

Absent: 3

Mr. Michael T. Adam
Mr. Ellio A. Solomon
Mr. Moses I. Kirkconnell

The Speaker: The result of the division is 2 Ayes, 10 Noes, and 3 absent.

Negative by majority on Division: Private Member's Motion No. 7/2012-13 failed.

Private Member's Motion No. 11/2012-13— Amendment to the Complaints Commissioners Law

The Speaker: Fourth Elected Member for George Town.

Mr. Ellio A. Solomon: Madam Speaker, I rise to present Private Member's Motion No. 11/2012-2013, standing in my name, Amendment to the Complaints Commissioners Law, which reads as follows:

BE IT THEREFORE RESOLVED THAT the Government considers amending the Complaints Commissioners Law so as to:

- (a) expressly and clearly allow the Complaints Commissioner to investigate maladministration within the Royal Cayman Islands Police Service, except in very limited circumstances, whether those instances of maladministration be raised by complaint to the Complaints Commissioner's office, or by the Complaints Commissioner's office of its own motion; and**
- (b) further protect the integrity and independence of the Office of the Complaints Commissioner.**

The Speaker: The Motion has been moved. Is there a seconder?

Fourth Elected Member for West Bay.

Capt. A. Eugene Ebanks: I beg to second the Motion.

The Speaker: The Motion is open for debate. Does the mover wish to speak thereto?

Mr. Ellio A. Solomon: Yes, Madam Speaker, and thank you.

Madam Speaker, I am being preemptively admonished about the time. But I must say, Madam Speaker, any day now is four years that I have been in here, and if there has never been a revelation before I got a revelation today. I realise now after hearing much discussion about squabs swimming sideways and the Eagles' song is perhaps why my time is always cut short. I will try to see if I can interject them into my speech so I can get some additional time.

[Laughter]

Mr. Ellio A. Solomon: Madam Speaker, on a serious note, the Motion is to amend the Complaints Commissioners Law, asking the Government to consider amending the Law so that we can expressly and clearly allow the Complaints Commissioner's office to investigate maladministration within the Royal Cayman Islands Police Service, except in very limited circumstances whether those instances of maladministration be raised by complaint to the Complaints Commissioner's office, or by the Complaints Commissioner's office of its own motion; and further protect the integrity and independence of the Office of the Complaints Commissioner.

Madam Speaker, I wish to state that there is an adage, "out of sight, out of mind" which means precisely that. A lot of times when we don't see something on somewhat of a regular basis it is out of sight and, therefore, out of our mind. To make my point about out of sight and out of mind, I am also going to drag in here another uniform branch other than the Royal Cayman Islands Police, and that's the Fire Service.

On two particular occasions (and I will give at least one of them), I remember a circumstance very, very late at night, it had to have been 2.00, 3.00 in the morning, when an apartment complex caught on fire. The majority of that complex was wood and had been around for quite some time. Needless to say, I think the Bible refers to at least two things that are never satisfied, one is the grave, the other is fire. It was not satisfied, I can say. The flames went very quickly throughout that apartment complex.

Interestingly enough, when the 30-plus persons in their apartments at 3.00 in the morning were running out of their apartments seeking refuge, forgetting everything, even perhaps another human life, because they were desperately trying to save their own, there was a uniform branch (in this case the Fire Service) that was not running out, but running in to out the fire. Madam Speaker, there are those sorts of people who watch the fire line every day. While we are sleeping peacefully in our beds, hopefully having said our prayers asking God to watch over us, I believe part and parcel of that watching over us are persons like those in the Fire Service and in the Royal Cayman Islands Police.

I hope it gives every Member in this honourable House some comfort. And I hope it gives the members of the general populace some comfort to know that on the front line while we are asleep, if the event were to occur that our premises caught on fire, even if it's a child, we are not running and leaving behind because we were so frightened and trying to save our own lives, that there was someone willing to run into the fire to rescue us. And when there are car accidents and they need the 'jaws of life' and someone is dying and all of us are perhaps wondering what to do, someone is there to help to rescue and save a life.

Madam Speaker, without laboring that point, I have a tremendous degree of respect for every single role that every job plays, because every job plays a fundamental role in society. They are all needed. But today I highlight at least the two of those to say that I have a tremendous degree of respect for the persons that serve in those two units, the Fire Service and the Royal Cayman Islands Police. There is something unique when something happens while you are asleep. If it happens during the day while you are awake, one could probably say they could handle it. But especially when you know some of those things may very well occur while you are asleep. Oftentimes

a lot of evil that has not come and fallen upon you is simply because you had someone watching and guarding the gate while you slept.

Madam Speaker, those persons, in one way, shape or another . . . and I will stress before going on that a lot of times, again, because it has been out of sight and out of mind, it is very easy for us to say, *Why should the Fire Service get paid? They are just sitting there not doing anything, playing dominoes.* Many times that is the criticism they will receive. But we won't say that when the fire comes! Again, perhaps the same criticism could be levied against the Royal Cayman Islands Police. *Oh, they were late.* There is a lot of criticism. We don't hesitate to levy the criticism. While I believe there is a time and place for criticism, there is also a time to praise and show a little respect and appreciation for those persons as well.

So, if we understand, agree and appreciate fully that they play a tremendous role in one way shape or another regardless of what the protection is, that they stand in many instances to protect and defend us, then, I believe, that we have an obligation as citizens and as parliamentarians when necessary, when called upon to defend them as well. With that in mind, Madam Speaker, I do my small part today to stand in the defence, in this particular Motion, of the Royal Cayman Islands Police.

On too many occasions I have had visitation from police officers who continue to talk about the Royal Cayman Islands Police and the many challenges it faces and how they continue to state, intimate, reiterate, however one wants to word it, that unfortunately the situation and circumstances are only getting worse—not any better, worse. So, Madam Speaker, let us come to their defence. They can do their part to protect and defend us, so we have to do our part for them. There are many of them that cannot . . . imagine that, out of fear, Madam Speaker, cannot even come publicly and voice some of what we could perhaps deem to be the atrocities occurring with the Royal Cayman Islands Police. And we have all seen little tips of the iceberg. Anyone who is paying attention has to see it.

Just recently we had the Commissioner of Police come into Finance Committee. While I comfortably sat on the other side and asked the question: What is happening with this particular case of someone who potentially assaulted someone? the gentleman stated clearly into the record that there was no assault. Yet, I am reading sometime later that arguably the investigations had not been completed, legal had not yet drawn a conclusion. Sometime afterwards, I believe (out of the hazard of paraphrasing it) they then deemed that perhaps they were not going to go forward. But, suffice it to say, one has to ask the question, if we are audacious enough: How does one Commissioner of Police, any one of them, stand here, insofar as supposed due process, and say preemp-

tively ahead of time, whatever one wants to term it, *Not guilty; no offence has been committed.*

Madam Speaker, it is the tip of the iceberg as to some of the things that are occurring.

We talked even about things as simple as legal aid, that we might say, how is it that any one particular person (and again, this is not to knock any individual, it's the system) where you can issue legal aid and if the legal aid is not approved, for example, then you have to appeal, and you have to appeal to the same person who didn't approve it in the first place.

We saw that as a challenge.

Madam Speaker, in the same way, I have a little bit of an issue insofar as saying that the Royal Cayman Islands Police will investigate members of the general populace but only the Royal Cayman Islands Police can investigate themselves. And whether it be salaries of the Royal Cayman Islands Police, promotions, discipline and other areas, one, two persons, I don't know, over crackers and tea, decide exactly what is going to happen, when it is going to happen and answer, arguably, to no one. To whom that may be acceptable, Madam Speaker, I do not know. But I find that to be completely unacceptable.

I am being encouraged, Madam Speaker, to give specifics in terms of a case. But I am going to stay away from that.

[Inaudible interjection]

Mr. Ellio A. Solomon: Correct. On the front page of the *[Caymanian] Compass*, Madam Speaker.

But you have . . . and anyone in this honourable House, and who has been reading the front pages of the *Compass* over the many years will see a little glimpse, if nothing else, of some of the things that are occurring in the Royal Cayman Islands Police which is the focus of attention right at this very moment.

Madam Speaker, Lord Acton had a saying, and you only ever heard that saying being referred to when it comes to politicians. He said, "**Power [tends to] corrupt, and absolute power corrupts absolutely.**" Just so that we don't even get the glimpse that that could potentially be the case we need to make sure that every institution in this government, which, when I checked last, the government is the collective will, the collective finances of the people of this country, steered obligated with the responsibility to serve and to protect the people. And so they have a right therefore to say we therefore want to ensure that an institution that is independent and neutral can investigate the Royal Cayman Islands Police, and not necessarily you as a politician, you commit an act and then you go in your room somewhere, you yourself, go question and answer yourself, come back out and write a report and tell us what you did wrong, if you did anything, and what you think should happen to us. We don't work that way, Madam Speaker. It shouldn't

work that way with politicians, and it shouldn't work that way with the police.

It may bother some [people], Madam Speaker, but it doesn't bother me. Again, we can throw them out, the infamous situation with the Operation Tempura. Understand this, because just the other night we were engaged in a debate. This has nothing to do with anybody getting up saying, *Oh, they are trying to kick jolly old England out of the country.* That is not the case, Madam Speaker. But when I checked last there is no difference running in the veins of the people in this honourable House as there is to the people walking up and down in the streets in this country. And there is nothing different running in our collective veins than sits in the government building behind bolted doors and sits in the office of the Commissioner of Police. Nothing different, Madam Speaker! So what is good for the goose is good for the gander.

My position is that we put the same demands on the United Kingdom and the instruments thereof as we put on ourselves. If every department within government must be subject to investigation if there is a complaint from a member of the general public, make a complaint against the post office. The Complaints Commissioner can walk in and investigate it to confirm or deny that complaint, or the validity of it. Jump to another department—Customs. Keep jumping around, Madam Speaker. Arguably, the only departments that cannot be investigated by the office of the Complaints Commissioner, an independent and neutral office, are those that are direct instruments of the United Kingdom Government, namely the Governor's office, the office of the Commissioner of Police and so on.

So, Madam Speaker, it is my humble and respectful submission that I believe we should all be on what they love to say, an equal and level playing field. There needs to be proper opportunities, as we refer to RCIPS. Understand, again, even on the front page of the paper, this Operation Tempura, while there are people out there, I will stress, with difficulties paying their mortgage, difficulties paying their electric bill, which in many instances is about the same amount as their mortgage, their water, their home insurance, Madam Speaker, while they are struggling we were therefore, [with] twisted arm, compelled, somehow or another twisted, that we had to expend, for example, millions and millions of dollars on Operation Tempura to investigate this country on corruption.

Nothing has been found. Everybody is allowed. Pictures are taken. Money is made. People go back to England after bathing on the beach, or whatever it is they did. And the only group of people who have lost out of that is the Cayman Islands and the Caymanian people. Taxpayers, having spent money, nothing found, but while nothing has been found we have a black eye that continues to be marked on the country, a black cloud hanging over us. And not even a pronouncement from the United Kingdom Government saying they searched and nothing was found.

They have been weighed and are found, at the end of the day, in the balance to be good and just people. Not even a pronouncement to that effect! Not even that.

No! I say, Madam Speaker, deliberately to allow the cloud to hang over [us]. And now even when there is a Freedom of Information request saying provide information in respect to where our money went, how it went, how it was spent, we can have a UK instrument saying, *No, no. no. We're not giving you that. Yes, we know it's your money. We know all of that. But we are not giving it to you.* No, Madam Speaker! FOI for the goose and FOI for the gander. That's my position.

It is the taxpayers of this country—the ones right now that I am pretty sure would appreciate \$16 million to help them pay their bills. Help them to pay their mortgages, because that's what it is. Many of them now having lost their homes, have no homes, I am sure would appreciate a portion, a small hellish portion of the \$16 million so they could have saved their homes. But they never had the opportunity. So we have those who can sit in high ivory towers in pleasure and say, *No request for FOI can be granted. These instrument do and act as we wish, subject, subject, subject, subject to no one.*

So, Madam Speaker, that is why this Motion calls, not for anything wrong, it is calling for the equal, level playing field, calling that the same Complaints Commissioner's office that can arguably investigate every single government department, independent and neutral, be given the same authority. And I don't want to cloud it because I know what one of the responses could be—technically they can. No! Madam Speaker, you can weave that through as many doors as you want, at the end of the day, if it has not been made abundantly, expressly clear to do so, and I have spoken now to at least two (probably has only been two) Complaints Commissioners.

Ask them why they did not investigate. Because they haven't gotten complaints? Do you think those police officers, as an example, are only complaining to me? No. Do you think the many persons out there in the general populace that have had complaints against police, whether they want to say police brutality, whatever it is, they want to claim, do you think they have not made complaints? No. They are not investigated because bobbing, dipping, weaving, no matter how one wants to twist and turn it, those offices, the office of the Complaints Commissioner, cannot and are not allowed to investigate them.

Madam Speaker, I think it is wrong. And I think it is time as a parliament, time as a country, that we allow for the same things as the United Kingdom claims they want. We want standards. We want an equal and level playing field. I say give them an equal and level playing field. And let us start today with the Royal Cayman Islands Police. We want FOI for Customs. We want FOI for Fire. And we want FOI for the

Post Office. We want FOI for everything. We want FOI for the Royal Cayman Islands Police.

We don't want to have officers investigating themselves. We want to have an independent and neutral organisation, the same one that good old England is happy with. We want the same one investigating the Royal Cayman Islands Police. An unfettered investigation of the Royal Cayman Islands Police, whether someone goes to them with a complaint, or whether they draw that complaint themselves as to what has to be investigated. That's what this Motion calls for—fairness, justice. We talk about peace, order and good governance. That's peace, order and good governance.

So it cannot be an argument of convenience. The Complaints Commissioner's office now, without doubt, has the expertise. Ms. Williams . . . and anyone who does the research into her background, for example, and who asks her, [she] will tell you that it is precisely what she would have done where she comes from. She would have investigated police. But they come here. In this case she is brought here and not allowed to do the same thing she would have been allowed to do somewhere else.

I want people to understand, and I will state it for the record in case there is any question about it: England allows a lot of things to happen here that are not allowed to happen in England. They do not allow it. It could never happen! But you see—that's the territory. I don't even think perhaps . . . anyway, let me not go too far.

Madam Speaker, they wish sometimes, some of them . . . and I want to stress (let me stress again for the record) we are not talking about the hardworking British man in the street. That is not what we are talking about. And we are not talking about the hardworking British man that comes here and works. That's not what we are talking about. We are talking about certain factions in that case within the UK Government. And I am saying that, Madam Speaker, let there be no doubt, there are those who seek to operate one way at home, and a different way abroad. We need some standards.

I don't know if anybody sees it, Madam Speaker. But look at what is happening to our country. Everything! As I stated a few nights ago on television, a man (how does a good lawyer say it?) . . . a man is deemed to have intended all of the consequences of his action. That's what a good lawyer will tell you. Deemed to have intended all of the consequences of his action! What does Operation Tempura do to the man at a distance? Does it make the Cayman Islands look shiny, a place to visit? Zero corruption? Or does it do just the opposite?

[Operation] Cealt, what does that do?

Commissioners of Police are sent back home. What does that do?

What do all of these things do?

Without anticipation, Madam Speaker, observers: *We have to check their election just to make sure everything is safe.* What does that do? What is the impression that it leaves on the minds of those who are at a distance?

Remember those days when we could look at other countries? We looked at it cursorily and we said, *Oh, I read in the headlines today what happened in Cuba.* Or what happened in America or Panama. From a distance, Madam Speaker, we draw an impression just from the headlines—good, bad or indifferent. Understand that the same thing is happening right now to the Cayman Islands. People from a distance who have their important lives to live are drawing inferences and conclusions from a distance.

I am going to respectfully and humbly submit, Madam Speaker, that when they read the headlines from a distance about Operation Tempura, this investigation, that investigation, this observation, that monitoring, whatever one wants to get into the semantics, it is my humble submission that the inference that will be drawn by those from a distance is, *I'm really starting to get concerned about the Cayman Islands.*

You see, Madam Speaker, one really has to ask themselves what that particular image allows the United Kingdom to do tomorrow to such a grey and marred image. I will tell you what it allows you to do. It allows you to do something that you could not do had it not been marred. I will leave it at that.

So, Madam Speaker, I am not going to sit idly by and let anyone, friend or foe, internal or external, intro/intra, it doesn't matter, Madam Speaker, and allow them to do as they please without at least having had the privilege and obligation to speak up when I see something wrong. Edmond Burke says evil prevails because good men do nothing. Mark my name off that, Madam Speaker. I am going to say something! Again, for those who want to brand that as electioneering, brand that. I have said something.

There is no whisper, no prayer, ever mentioned in this universe that does not conspire to bring about what you have asked for. Even the good Word of God says nothing that you ask for in prayer, believing, is not going to happen. So I whisper it right now into this microphone, it is unacceptable, Madam Speaker. Therefore, I pray to God for resolution to it, Madam Speaker. It cannot continue.

As representative and as individuals of this country, we simply have to ask of the United Kingdom the same thing they are asking of us. If that means we have to broadcast it locally and internationally, then we do it. We are not asking for anything extra. We are not asking for special treatment. We are asking for the same treatment that you give yourself. Don't treat one child one way and the other child another. That doesn't work properly.

We have the expertise, Madam Speaker, within the office of the Complaints Commissioner. And not just because of the individual who is in the office now,

but in the future. When we now embark on this particular journey, that journey of the level playing field, that journey of transparency and good governance that everybody cries for, then all of the persons, all the "Williamsses" to come in the future should be armed with the expertise to do so.

The department will need the funding and one or two additional bodies, but there is nothing at the end of the day, nothing made, nothing bought, nothing sold, nothing destroyed without having a price. Even to turn my head there's a cost, because while I am looking at you I am paying the price of not being able to look that way. That's how life is. Opportunity costs, as they refer to. Everything has a cost. But we pay the price, Madam Speaker, to be able to investigate and bring about transparency.

Now, after we finish this one, I suggest we move to the Governor's office. But, we investigate the Royal Cayman Islands Police on behalf of the police officers who are suffering in the hands of persons within the Royal Cayman Islands Police. And we investigate on behalf of the people who have suffered at the hands of Royal Cayman Islands Police in the public. And we investigate on behalf of the public who pays our bills, who pays the taxes to run Royal Cayman Islands Police for them, not for anyone else, for their protection. So they protect us, we work to protect them. They defend us, we work to defend them. And today we rise to their defence.

We want a level playing field and proper investigation for Royal Cayman Islands Police. We have the expertise. There is no reason, there is no excuse. Let us work to secure the finances to make sure that it can happen.

So, Madam Speaker, I am going to pause there because I believe I have succinctly put this case to this honourable House. And I look forward, hopefully to some express agreement, Madam Speaker, that it is a direction that we can take . . . oh, I did not mention one particular area of the Motion. That is to further protect the integrity and independence of the office of the Complaints Commissioner. And lest that be misunderstood, not at all am I questioning the integrity and the independence of the office of the Complaints Commissioner.

From every indication the past, and definitely the present, Complaints Commissioner did a sterling job from every indication. But I have a concern that if we were to move forward with this Motion and implement (a) and fail to put in place a system that seeks to ensure that you can't have the Complaints Commissioner (whoever it may be, now or in the future) avoid being able to be willy-nilly fired, terminated, intimidated in one way or another, I have a sneaking suspicion that if we do not put that in place, we will have failed in our duties because we will have given them the power to do so under the law to investigate, but we would have removed the fear factor. That is what I am talking about when I refer to being able to ensure that we

are protecting the integrity and independence of the office, making sure that even when it comes that whoever holds that office insofar as the termination of the individual who sits in that office, it cannot be done so easily.

Make it hard for them to remove the person so that no Commissioner, no Governor, no one can just simply willy-nilly threaten to remove them and, thus, therefore, they are intimidated and when they are rendered useless, neutered or otherwise, as to why they cannot conduct the investigation.

So, Madam Speaker, just before I take my seat and allow other Members to speak succinctly asking, Madam Speaker, not for anything extra, asking for the exact same thing the United Kingdom claims they want—transparency, good governance. What's good for the goose is good for the gander. Investigate every government department; allow the office of the Complaints Commissioner to do it. Not just for the Customs, the Post Office or otherwise, but also for the Royal Cayman Islands Police.

I am asking that that office when given that authority and that power, that responsibility, that they are also afforded the proper protection to make sure they can execute that job.

With that, Madam Speaker, without length, I wish again to just say Royal Cayman Islands Police and areas like the Fire Service that protect and defend us, we have an obligation in the same right, same responsibility to stand to their defence as well. And with that, I will take my seat and allow other Members to make their contribution.

The Speaker: Does any other Member wish to speak? [pause]

Honourable Deputy Governor, First Ex-officio Member.

The Deputy Governor, Hon. Franz Manderson: Thank you, Madam Speaker. I rise to speak on behalf of the Government in relation to the Motion now before the House.

As far back as 2010, when the Police Law was passed in this House, it was accepted that the current way of dealing with complaints against the police needed to be changed. In other words, we should not have the police investigating themselves, which is actually what happened previously in that if a member of the public had a complaint against the police they filed a complaint with the police and the police then did an internal investigation.

So, when we passed the Police Law back in 2010 it was agreed that we would set up a public complaints authority. We then decided to take that matter forward and when the civil service began to implement that section of the law we came to the conclusion that in a small jurisdiction like Cayman it was not economically feasible to set up another oversight agency with independent administration.

We wanted to look at other options, and we have been doing that now for the last few months, looking at a number of different options where we can gain the public and the police open and fair process in which their complaints can be dealt with.

One of the things we have looked at is a model from the United Kingdom where they have an independent police complaints commission. As the Fourth Elected Member for George Town says that is where our Complaints Commissioner previously worked. So, she is very familiar with the way in which complaints against the police should be dealt with.

One of the key components, we believe, of any agency charged with investigating complaints against the police is that they must be independent. Again, that was alluded to by the Fourth Elected Member for George Town. However, we also think that there should be a degree of civilian oversight. We believe that the public should have more representation in the way in which their complaints are being dealt with by the police.

To talk a bit about what happens in the UK, as the Fourth Elected Member for George Town said, they have a separate agency. The police do not investigate themselves. For example, if there is a serious injury or death resulting from police action, that agency deals with the matter. And that is how we would want to see the system here in Cayman work as well.

We also believe that civilian oversight is essential since the police are ultimately responsible to the public. We believe that civilian oversight will highlight police misconduct. It can alert police forces to steps they should take to curb abuse. It can improve the image of the police and its relationship with the public. I think that is the key in that the public must have confidence in whatever agency they go to when filing their complaint. Again, that was alluded to by the Fourth Elected Member for George Town, in that there has to be open and transparent process where the public feels confident that if they make a complaint it will be kept confidential until it is investigated, that they can do so with confidence, that it will be taken seriously and properly addressed. How we go about doing that is essential to the success of the agency.

So, Madam Speaker, we have done quite a bit of work in this area and while we did take the view that we thought it should be a civilian oversight body, we were certainly happy to accept the Motion put forward by the Fourth Elected Member for George Town and the Government is willing to consider the Motion before the House.

I want to thank the Fourth Elected Member for George Town for bringing the Motion.

The Speaker: Does any other Member wish to speak? [pause] Does any other Member wish to speak? [pause] Does any other Member wish to speak? [pause]

If not, I will call on the Fourth Elected Member for George Town to conclude the debate.

Mr. Ellio A. Solomon: Thank you, Madam Speaker.

Again, very short, I will just take the opportunity to say a few things. One is, amidst all of this discussion I wouldn't want in any way shape or form to even have anyone draw an inference that many of those hardworking persons within the Royal Cayman Islands Police, particularly those involved in internal investigations, are not working and doing the best judicious job they can. But I think it has been expressed by the First Ex-officio Member, the Deputy Governor, that even if nothing else but the optics of it, it has to be done properly.

In that same vein, Madam Speaker, it is interesting that legislation was talked about what should have been done, but interesting to note that it has not been done for one reason or another. I understand and take into full consideration some of the points he would have raised as to consideration over the past couple of months by the Government. I think that is only judicious, a good righteous decision. But I would encourage them to consider the fact that the office of the Complaints Commissioner is right now doing this with all the other departments.

I think it is very, very important that the public doesn't even have a chance to walk away feeling like there is once again something uniquely different about how the Royal Cayman Islands Police is investigated. I think we need to be able to give the transparency, the accountability, but in addition to that, also that the optics in terms of making sure that persons can feel very comfortable that what is occurring is nothing different than what is occurring in terms of the other departments.

Madam Speaker, without a doubt, I think the Deputy Governor knows, and I have publicly expressed my sentiments about him as well, and I am very comfortable . . . I would be surprised, and I would be the first one to say, but I think as everyone knows, I am proud to have him in that position there as Deputy Governor. It shows us what Caymanians can do. A learned individual and person who have worked very hard and deserves to be in the position he is in.

I am going to then, on that statement, leave it to him. I will tell you why it is very important for me to say that. Not only is it the truth, Madam Speaker, but I do put confidence in him and I will take that position until proven otherwise. I believe the public does the same. I put that, and I state it, Madam Speaker, because many of us who are sitting in these little green chairs today may not be here after May. And many who are even here for the next four years are not going to be here. But what remains consistent is my point. I hope everyone who is here (don't get me wrong) has another chance at bat.

But it is very important to understand the longevity, the consistency, the continuity that happens

through the civil servants. It is people like the Deputy Governor who I think is young and has many years in that office, that is going to be able to offer the Government and this country the continuity it deserves. So I am saying to him, not even just to the Government across the aisle, to him, that I am asking him on behalf of the people of this country, the Royal Cayman Islands Police, to please let us not forget today what we have agreed and to offer up that continuity to make sure that it will happen.

With that, I thank him in advance and I thank everyone; yourself and the honourable House for their . . . I believe, at least the Government with their expressed consent, and perhaps other Members with their tacit consent, and obviously those persons who have given me a chance to be able to express these concerns, desires and wishes on their behalf.

The Speaker: The question is: BE IT THEREFORE RESOLVED THAT the Government considers amending the Complaints Commissioners Law so as to: expressly and clearly allow the Complaints Commissioner to investigate maladministration within the Royal Cayman Islands Police Service, except in very limited circumstances, whether those instances of maladministration be raised by complaint to the Complaints Commissioner's office, or by the Complaints Commissioner's office of its own motion; and further protect the integrity and independence of the Office of the Complaints Commissioner.

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

Ayes.

The Speaker: The Ayes have it.

Mr. Ellio A. Solomon: Madam Speaker, I would like to call a division.

The Speaker: Madam Clerk.

The Clerk:

Division No. 18

Ayes: 8

Hon. W. McKeever Bush
 Hon. J. Y. O'Connor-Connolly
 Mr. Michael T. Adam
 Hon. J. Mark P. Scotland
 Hon. Cline A. Glidden, Jr.
 Capt. A. Eugene Ebanks
 Mr. Ellio A. Solomon
 Hon. Dwayne S. Seymour

Noes: 1

Mr. D. Ezzard Miller

Absent: 6

Hon. Rolston M. Anglin
 Hon. D. Kurt Tibbetts
 Hon. Alden M. McLaughlin, Jr.
 Mr. Moses I. Kirkconnell

Hon. Anthony S. Eden
 Mr. V. Arden McLean

The Speaker: The result of the division is 8 Ayes; 1 No, and 6 absent.

Agreed by majority on Division: Private Member's Motion No. 11/2012-13 passed.

**Private Member's Motion No. 12/2012-13
 Objection to Election Observers**

The Speaker: First Elected Member for West Bay.

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

I beg to move Private Member's Motion No. 12/2012-2013 Objection to Election Observers, which reads as follows:

WHEREAS the Cayman Islands have had representative government since 1831;

AND WHEREAS our Electoral System has evolved to an excellent system with no electoral fraud and no major flaws or mishaps;

AND WHEREAS our Election Officials have always operated at the highest levels of integrity, honesty and knowledge of the system;

AND WHEREAS our Election Officials have assisted in the positive development of Electoral System of other territories;

AND WHEREAS the Foreign and Commonwealth Office Minister said that they would like to have Election Observers in the Cayman Islands for the May 2013 General Elections;

AND WHEREAS this request would give a negative impression of these Islands that our Electoral System, its administration and democratic participants are unsatisfactory for democratic changes;

AND WHEREAS the previous Government of Bermuda rejected a similar request in 2012;

AND WHEREAS Observers for Elections throughout the Commonwealth was only requested for countries with deepest electoral problems none of which existed or exist in the Cayman Islands;

BE IT NOW THEREFORE RESOLVED THAT this Honourable House rejects the F.C.O's request and forwards to the Governor and the Cabinet our strong objection and rejection of Election Observers.

The Speaker: Is there a seconder for this Motion?
 [Second] Elected for George Town.

Mr. Michael T. Adam: I beg to second the Motion.

The Speaker: The Motion has been moved and seconded and is now open for debate. Does the mover wish to speak thereto?

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

Madam Speaker, before I begin I would like to lay on the table some excerpts from a book entitled “Strengthening Democracy—A parliamentary perspective,” by Ron Gould, Christine Jackson, Loren Wells.

The Speaker: So ordered.

Hon. W. McKeeva Bush: I will be referring to that book, Madam Speaker.

The Motion is very clear about what it is seeking to do. There was an article in the *[Caymanian] Compass* about the United Kingdom wanting to send election observers here for the May general elections. That had been asked of me as well. I said, “What for? We don’t have that kind of problem here.” And I never heard any more about it, Madam Speaker, until the present Premier made it known that she was asked about this matter.

Madam Speaker, let me quite frankly say that had I any indication from our Elections Office that there were problems in the election processes here, that I would have no problems in asking the UK myself, or any other country or organisation, and would have agreed when I was asked about election observers. I have had no indication from our Elections Office officials of such systemic problems. In agreeing or asking for observers, that would have been the case. There would have been systemic problems and someone in officialdom or in civil society would have made a request to have observers come. That is how it is done, observers are only needed if, for instance, a problem exists and, as far as we know, as far as we’ve seen, as far as we’ve experienced, there is absolutely an absence of undemocratic principles and gross election fraud where millions of votes, thousands of votes or hundreds of votes cannot be accounted for.

Madam Speaker, in the book I referred to earlier, which is a guide concerning elections and election observing and monitoring, election observing carries many obligations and responsibilities. It is not just a matter of a few, one or two persons, coming here to look at the election, or the Election Day process. In this book, which is about strengthening democracy, it says: “Commonwealth expertise in the proper conduct of elections is unsurpassed anywhere in the world. With electoral experience built up over decades, even centuries, Commonwealth nations constitute an enormous reservoir of knowledge about how best to conduct this vital stage in the democratic process. Strengthening democracy taps into that reservoir to enable all democracies—and those still fighting for the

freedom to choose their governments—to understand how voting is conducted ‘the Commonwealth way.’”

Madam Speaker, the documents I laid on the table questions “why observe” and then it gives the objective. It says (and I quote): “The clientele for international observation can be divided into two groups; namely, external and internal. External donor clientele are those groups and organisations which have an interest in the democratic development of the country concerned arising out of consideration such as human rights, the opening up of societies and long term political and economic relationships. There can be various internal recipient clientele, the existing government of the country, which is to obtain an international stamp of approval on its electoral initiative for political, economic or other reasons; opposition parties looking to international observation as a means of discouraging intimidation and fraud; election authorities for support and defence against unjust accusation, and the public for security and confidence building.” [UNVERIFIED QUOTE]

Madam Speaker, four—let’s call them clientele as the book calls them. None of these things we have any reason to question. There has been no opposition movement ever talking about observing our elections for fear of intimidation; that if people don’t go to the polls. There has been no request from Government that we know about. The electoral authorities, our election officials, as I have said, have not made any such request.

I continue quoting: “The observer’s role is to form an opinion on the electoral process and to produce an internal report and often a public statement evaluating the freeness and fairness of the electoral process.” [UNVERIFIED QUOTE]

“Who observes: Observers can be classified into two principal groups, national and international. Within these main classifications there are a wide variety of observer groups. At the international level there is the possibility of observers from one country being part of the following of a bilateral group officially representing the donor nation; of a multilateral group such as the United Nations, the Commonwealth, the Organization of American States, et cetera, of a non-governmental organisation such as church groups or human rights organisations, as well as diverse VIPs and other individuals. At the national level the principal observer groups are usually formed from non-governmental citizen organisations such as church groups, lawyer groups, or human rights organisations, specifically combined and trained to observe the election process. Political parties and their representatives at the polls play a critical role, as does the media where it is free and independent. And in a few instances the responsible electoral bodies charged with organising a national group to observe and sometimes to monitor the electoral event.” [UNVERIFIED QUOTE]

Madam Speaker, in his paper entitled "Rights and Responsibilities of Observers", Pier Chameleon [PHONETIC] states the following: "An observer must only observe. He's a witness. While he may sometimes serve as a catalyst, he must never become actively involved in the electoral process. Observers bear a heavy responsibility, not only towards the international community which undertakes to make appreciable financial efforts and mobilizes important human resources, but also toward the people of a country who often place great hopes in them. Their action must therefore satisfy three key qualifications: diligence, independence and impartiality. In order for them to form an opinion, it is also central for observers to have access to all documents and materials relating to the electoral process. These include not only the legal texts and provisions governing the entire process, but also such essential elements as the electoral lists and rolls and voters registration cards. Observers must, of course, be able to examine, if possible, in advance the whole range of electoral material starting with the ballot boxes and ballot papers which are to be used, the kind of posters authorised, et cetera. The right to have access to these documents and materials must be backed up by a right of access to premises."

"This refers not only to the various meetings and rallies held during the campaign, but also to the polling stations and counting centres during the tallying of the vote. In some situations the transport and safekeeping of ballot boxes in total security and confidence may be a very delicate issue. It is therefore extremely important, not only for observers to have access to the places where the boxes are stored, but also for them to be able to accompany the boxes on their journey between that place and the polling station if the voting is spread over several days, and certainly, during their transport to the centres where the ballots are to be counted."

"The rights of observers to receive the necessary information from the electoral authorities and from those in charge of security or the maintenance of order, includes the right to receive information from them, not only on complaints that may have been lodged, but also on the follow up action taken on such complaints or other claims. The corollary of this right is twofold, the possibility and the duty to inform those authorities as swiftly as possible of any irregularity or incident which they may have witnessed or which was pointed out to them in good faith. Here again, they have a right to receive answers to their questions. This must, of course, be done within the strict limits of their role since the observers must refrain from any interference in the organisation or carrying out of the elections."

"The observers' fundamental responsibility of presenting their findings in a final public report implies both; that they must submit the report to the authorities and that they are free to make its content public in

the country. The exercise of rights and the liability to obligation implies that those concerns be fully identified. This raises the question of their accreditation of observers. It seems highly necessary that foreign observers should undertake a formal accreditation procedure which confers a formal status on them. The first merit of official accreditation is to guarantee that in coming to a country an observer is responding to an invitation, whether issued personally or more generally. Such a procedure helps to define the rights and obligation of the accredited person and may even specify and make public certain prohibitions on his action. It thus has the merit of giving rise to the adoption of legislation or regulations which establish an official relationship between the observer and the country's authorities." [UNVERIFIED QUOTES]

Madam Speaker, as I said, you can hear there is a lot that is entailed in observing general elections, not just sending one or two people here for Election Day or the week before.

Madam Speaker, it says on page 60 of "Methodologies of Observation," "Only armatures observe elections on Election Day, professionals are involved well before. Observation must cover the entire electoral process including registration of parties, candidates and voters. The political campaigning, the voter education and information process, media activities, the training of electoral officials as well as polling day activities, the counting of votes and the proclamation of result." [UNVERIFIED QUOTE]

It goes on to say, "What is observed: During the period leading up to and including the election it becomes essential to observe whether parties, candidates, electors and observers have freedom of movement and expression, the degree of freedom of media reporting, the integrity of the balloting and counting processes, the complaints process and finally the proclamation of results followed by the accrediting of parties and the installation of candidates. All of the above must be carried out with objectivity and impartiality using firsthand factual information as the basis of observation wherever possible." [UNVERIFIED QUOTE]

Madam Speaker, it goes on to say, and it goes on to give a guide for election observers. In the second section, section b, pre-election day review, it goes on to say, "In the previous section reference was made to potential sources of information which observers might consult prior to visiting the polls. The following paragraphs focus on the range of topics which might be explored or discussed with the various information sources prior to polling day. These topics include: 1) the Constitution and election legislation; 2) human rights; 3) the judiciary; 4) the military, if any, and police; 5) the responsible election body or bodies; 6) electoral boundaries and representation; 7) parties and candidates; 8) political campaigns; 9) the media; 10) civic education and voter information; 11) voter registration; 12) voting procedures; 13) counting pro-

cedures; 14) recounts and recourse.” [UNVERIFIED QUOTE]

Madam Speaker, there is a whole lot more talking about observing and monitoring general elections. As I said, it is not just a matter of sending someone from the UK, who the UK chooses to send here for a day or a week to look at our Election Day process; there is a whole range of things that needs to be done to make it credible.

As I said, I have no problem in anyone watching over us. I have been involved in 10 general elections as an adult. Ten! And I have been a candidate, so far, in seven. But '68, '72, '76, I watched the process and knew what was going on. I saw the difficulties. That is why I know so well when you talk about parties are bad. Go back to then [if] you want to see mayhem when they didn't have the so-called parties. If they only asked who you voted for, and you said the wrong name—pow! A punch in the face you got. I know about it, because I witnessed it back from '68, '72, '76. In 1980 I was a candidate. [I was] involved in 10 elections as an adult and I didn't observe anything that was undemocratic that could say disturbed the electoral process. Oh, you had a fight, even between candidates and that hasn't changed, really.

Madam Speaker, we cannot have the presence of observers. In my opinion, their presence could smear the reputation of the country when there is no problem whatsoever. And that is the position with our electoral system and with the way our elections have been conducted in the past many years.

Madam Speaker, I have served the Commonwealth Parliamentary Association for over 27 years in these Islands. I have been the chairman and vice president for well over 16 years. I have also served as a regional representative as well as on the international executive committee of the Commonwealth Parliamentary Association. During those periods that I served, the Commonwealth Parliamentary Association has had to appoint various election monitors and observers in various parts of the Commonwealth and, indeed, other countries outside of the Commonwealth. In all those instances, Madam Speaker, the CPA was invited by the host countries to send election observers and monitors due to historical systemic problems with their election process. And so, Madam Speaker, sovereignty does take precedence and observers must be invited by the host country—must be! Should be!

Additionally, Madam Speaker, there must be procedures established for the observer mission, as I outlined already. There must be an agreement signed by the host country and the observers to establish the scope and coverage (I repeat) of their mission. Prior to the establishment of the scope and the signing of the agreement for the observer mission there must be a meeting with leaders of all political parties and members of civil society to determine what kind of

mission is needed and what they are going to observe and who will pay for that mission.

Once all the parties agree on the scope of the mission, a determination can then be made as to who will issue the invitation to the observer mission. If the observer mission was to go ahead, Madam Speaker, the observers would have to be on-Island months before the election does occur. The observers must have experience in doing so in the past; they must be of ill-repute and have the cultural appreciation of the Caymanian society. The mission should have persons with legal and parliamentary experience, Madam Speaker, in order to be able to objectively carry out their task.

I don't think that we can gain anything from the observers of the United Kingdom or anywhere else. Again, I state that that is because we have a good system and the behaviour of the candidates and the officials involved has been unquestionable. So, I am asking that we reject that request, if they have not as yet. However, Madam Speaker, should the Government or the House reject my Motion for whatever reason, I would hope at this late stage, because there would be a lot to be done in that appointment, that all the things I pointed out would take place. And I would suggest some names, Madam Speaker, such as Dame Billie Miller of Barbados, Mr. Edwin Carrington, the former Director of CARICOM; the former Deputy Governor of Montserrat and people like the Rt. Hon. P. J. Patterson, former Prime Minister of Jamaica. These people know about observing and monitoring elections and they would have some grasp. Not to say that there are not others, I am making suggestions if the Government is mindful of accepting what I think is some kind of request for them to have a group here, or persons here.

Madam Speaker, I would hope that the Government would reject, as Bermuda did, that proposition.

The Speaker: Thank you, First Elected Member for West Bay.

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

Honourable Premier.

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Madam Speaker.

Madam Speaker, I rise to present the Government's position as it relates to the Motion now before this honourable House, being [Private Member's] Motion 12–2012/13, entitled “Objection to Election Observers.”

Madam Speaker, I wish to preface my contribution by saying that this concept of election observers first surfaced, as far as the Cayman context is concerned, back in June 2012 when it was part and parcel of the Overseas Territories [Security Success](#)

[and Sustainability](#) White Paper which was put out by the Foreign and Commonwealth Office. I beg your indulgence to so refer.

It says: **“The UK Government encourages observers to monitor UK elections as an important way to promote internationally accepted standards. We encourage other confident and open democracies, including the Territories, to welcome observers. In this spirit, the UK Government supported the observer mission to monitor the elections in the British Virgin Islands in November 2011 which was organised by the Caribbean Community (CARICOM) . . . This mission concluded that the will of the people of the British Virgin Islands had been fairly and freely expressed in an open democratic process, and commended the Territory for transparent, orderly and peaceful elections. The mission also made a number of helpful recommendations. The British Virgin Islands can be proud of the high standards it has set.”**

That can be found on page 50 of the White Paper which was done in June last year, Madam Speaker.

Since then, if I can dovetail into what the last speaker just said, in fact, Bermuda was approaching . . . I would beg your indulgence, Madam Speaker, if I can provide a copy—

The Speaker: Order please. I need to hear what the Premier is saying.

The Premier, Hon. Juliana Y. O’Connor-Connolly:—of the *Royal Gazette*. It’s the only copy I have; it’s a marked up copy. But in googling the [Royal Gazette](#) [13 December 2013] of Bermuda we would see that there was an article by Ira Johnson which reported that the UK Government had asked the Bermuda Government to allow election observers for their polling. In fact, the article says that it was inaccurate. According to their Cabinet Office, “. . . **the UK has clearly been hoping that Bermuda take up the idea — even if it has made no formal request.**

“A Government House spokesperson said that Governor George Ferguson raised the matter with Premier Paula Cox.”

I can also say that His Excellency the Governor has also raised the matter with us, and it was taken to a higher level when we visited the UK and, Madam Speaker, in a letter that was sent to myself as Premier earlier this year, the FCO Simmons said, and I quote, “I am encouraged to note your readiness to invite an election observer to the general election. As you know, I support this. It is a good practice for mature democracies to invite observers and an opportunity to demonstrate that election processes are robust, free and fair.

Having observers at elections in the British Virgin Islands in 2011 and in the Turks and Caicos

Islands last year worked well. And the Supervisor of Elections in these territories would, I am sure, be happy to share their experiences with their counterparts in Cayman. I understand that following our discussion the Attorney General undertook to review the Elections Law and to offer advice on whether change in the Law would be necessary to enable observers to attend. I look forward to an update on this issue when this point has been clarified.” [UNVERIFIED QUOTE]

That was from Minister Simmonds in the letter that he wrote to me earlier this year.

Madam Speaker, reverting back to the *Royal Gazette*, it asked for **“clarification of reports that the UK had made the request and that it had been rejected by the Premier.”**

“A statement from Cabinet Office said that reports of a refusal were inaccurate because ‘no such requests have been directed to the Government of Bermuda.’”

To summarise, basically, the position that the Government of Bermuda took, was that they had received no written request to them and, as a result, they said they had nothing to refuse because of not being in possession of a written request.

Skipping along, it said: **“Mark Simmonds, the UK’s Overseas Territories Minister, raised the issue in the House of Commons.**

He said, and I quote: **“I have to say that we are slightly disappointed that Bermuda has not recognised the need for election observers. The Governor of Bermuda has suggested to the Premier that as a sign of a mature, advanced and open democracy the country might invite an external independent team—perhaps a Commonwealth Parliamentary Association group—to observe its elections, but unfortunately the Government [of Bermuda] have decided not to do so.”**

“I raised the issue with the Bermudan Attorney-General and Minister of Justice last week, and she assured me that she would reflect our views to the Premier.”

It went on to say: **“The Opposition One Bermuda Alliance was asked for its reaction but did not do so by press time.”**

Madam Speaker, as we said at our press briefing a few weeks ago, I intimated to Hon. Simmonds that we were not adverse to the idea, but we certainly could not concur with it being a delegation comprised totally of the UK personnel, or one even headed by the UK. We felt that it would be much more fair and beneficial if it were from a regional composition or certainly at the level of the Commonwealth Parliamentary Association. And we got an undertaking that that would receive positive consideration.

Madam Speaker, I would just like to pose a question: What is it? And what are the benefits? Election monitoring, based on my research, is the observation of elections by one or more independent parties typically from a non-governmental organisation, or a

regional or international organisation. I believe the last speaker indicated that if the Government were minded to have one, that it would be regional with renowned names, like P.J. Patterson, and some others from the region. Elections are a celebration of fundamental human rights and, more specifically, civil and political rights. Election observation contributes to the overall promotion and protection of these rights. Election observation reinforces accountability and transparency thereby boosting both domestic and international confidence in the process.

We believe having observers would allow for the exchange and promotion of good practice and help to set the high standards of democracy in the region. If recommendations are raised on how our existing operation might be improved, or perhaps tightened up, having these recommendations come from a respected and manifestly independent set of observers should make it easier for us to act upon them.

Further, Madam Speaker, having our elections observed does not imply (and I want to stress this) that our existing process is inadequate. Far from that! On the contrary, welcoming observers in can demonstrate how confident we are that our processes are good, robust and transparent; and that we will be happy to welcome them to endorse our already almost perfect process. This can send a positive message about our good practice domestically, regionally and internationally, and be considered as a badge of pride.

In the international context, we believe that the expansion of election observation activities over the past two decades is directly related to the corresponding global trend toward democracy. As the action is generally a signal of strength of a government's commitment to democracy, we believe that inviting foreign election observers has increasingly become an international norm. What are some of the options? We can look at international organisations such as the Organization of American States, CARICOM, the Organization of Security and Co-operation in Europe, the European Union, the Commonwealth Secretariat, the Commonwealth Parliamentary Association, the Council of Europe and the African Union regularly deployed monitoring teams.

A wide arrange of NGOs have also participated in monitoring efforts. For example, the Carter Center played a key role with the United Nations Electoral Assistance Division and the National Democratic Institute in building consensus and a common set of international principles for election observation. Other Caribbean territories have had election observers. In November 2011, the BVI had a joint observer mission organised by CARICOM and the Commonwealth Parliamentary Association of the British Islands and Mediterranean Region. It was led by Ambassador Rudolph Collins, a former Chairman of the Elections Commission in Guyana and involved observers from St. Kitts, Nevis, UK, Isle of Man and Guernsey.

A year later the elections in the Turks and Caicos Islands were observed by the Commonwealth Parliamentary Association of the British Isles, the Association of the Caribbean Electoral Organisation (ACEO). The mission was led by the Hon. J. Bossano MP, Minister for Enterprise, Training and Employment, Gibraltar, and it included observers from BVI, Guyana, UK, Jamaica and St. Lucia.

Madam Speaker, we also see that election observer missions have been run by the Organization of American States (OAS), and the OSCE, Office for Democratic Institution and Human Rights, in many countries worldwide in the past six years, over 30 of them. To give some examples from a regional perspective [that includes] the Bahamas—OAS, 2012; Belize—OAS, 2012; Costa Rica—OAS, 2007 and 2010; Dominican Republic—2008, 2010, 2012; Grenada, 2008, 2013; Guatemala, 2007, 2011; Guyana, 2011; Haiti, 2010, 2011; Honduras, 2008, 2012; Jamaica, 2011; Mexico, 2009, 2012; Nevis, 2011; Nicaragua, 2012; Panama, 2009; St. Lucia, 2011; St. Kitts and Nevis, 2010; St. Vincent and Grenadines, 2010; Surinam, 2010; UK itself, 2010; and the United States, 2008, 2010 and 2012. So we can clearly see the moving towards the global trend that I spoke to earlier of having observers in.

I want to make it abundantly clear that we as a Government have not made a decision to ask them in as to their request. There was some innuendo that that might have been the case. I am clearly responding to the position here to say I believe that because it has been encouraged by the UK, optically it would have more of a negative impact at this stage to say, *no, we do not want you to come in*. I have every confidence, based on my experience with the electoral process here in Cayman, that we have perhaps one of the best processes here. The Superintendent of Elections and his colleagues take pride and go to great lengths to ensure that there are free and fair elections here within the Cayman Islands.

They objectivity and neutrality of our system I believe is one to be commended. They respect our domestic laws and as far as I have been able to ascertain (and there are other Members here who can attest to it), they ensure that there is access to all of the various processes and it is very transparent. Those of us who know the Supervisor of Elections [know] that he takes this as his baby, really, Madam Speaker, and ensures that his team is extremely trained and deployed in a timely fashion.

Madam Speaker, I just want to quickly glimpse and [speak] about some of the things that electoral observes would do as far as their questionnaire. There is quite a bit of information, and if one takes the time to research this there is actually a [manual](#) for OAS Electoral Observation Missions, Methods for Election Observation, which I will be happy to share with the Chair.

Madam Speaker, on page 16, for example, it deals with the actual evaluation. For example, they would look to see what the voter's education is like. There are questions that they can answer "yes" "no" or "NA" (not applicable). For example:

"Did voters appear to understand when, where and how to vote?"

"Exclusion of Registered Voters. Were registered voters prevented from voting, because of problems with the electoral rolls, voting hours or other reasons?"

"Ballot Design. Has the design of the ballot and/or the voting mechanism made it likely that voters are able to record their preferences accurately?"

"Voter Intimidation. Did you observe threats targeted at potential voters?"

"Vote Buying. Did you observe instances of voters being offered rewards in exchange for votes?"

"Electioneering at Polling Station. Did you observe electioneering at the polling stations?"

Secret Ballot. Was the right to secret ballot guaranteed?"

"Secure Ballot. Have all ballots been properly supervised and secured during the voting?"

"Dispute Resolution. Were complaints and disputes dealt with in a fair and timely manner?"

"Political Party Representatives. Did the main political parties have representatives present at the polling station?"

"National Observers. Were national electoral observers present at the polling stations?"

"General Impression. In general, the voting process at the polling station that you observed was . . ."

And there are other pages that have similar questions.

Madam Speaker, I believe that when these questions are asked, if, in fact, the end result was that electoral observers did come to our jurisdiction, we would be not only proud of the Moody Aa3 rating, but I believe that if there was a similar triple A voting our Cayman election process would receive it. So, at the end of the day it matters not really to the Government whatever the final vote outcome is because we believe in the era of transparency our electoral process will be one that can be emanated, not just within the region, but throughout the world.

So, from that perspective, Madam Speaker, the Government would not be minded to support the Motion because we believe it will be more of a negative impact now if we were to say the UK encouraged and we did not want them to come in, since knowing that the issue has been raised since June last year in the White Paper. We don't have anything to hide. We have lots to boast about our electoral system. If it means that they want to do a test, there is no corrup-

tion in our electoral process. I am confident to say that, and it would be good to have an independent body to proclaim that to the world.

I would still reiterate that it must not be a UK led or fully comprised delegation that would give a connotation which we would not be desirous of either. But we believe one that is regional, or even involved the CPA would be one that would get positive consideration. Thank you.

The Speaker: Thank you, Madam Premier.

Does any other Member wish to speak?
Leader of the Opposition.

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

I have listened carefully to the Motion moved by the First Elected Member for West Bay. I listened to him read extensively from various documents explaining what observers to elections actually do and all of the various processes and procedures and protocols they have to follow, and the criteria which ought to be employed or regarded when deciding whether or not observers should be brought in and so forth and so on.

But, Madam Speaker, I still struggle to understand why the Member would object if the system that we have is as robust, is as trustworthy as we all believe it to be. The 22nd May coming signals a fresh start for Cayman in many respects. We have been laboring for the last three years, certainly, and more, particularly over the course of the last year or so, under a perception that the systems that we have in place are less than satisfactory.

There has been a general loss of confidence in Cayman as it relates to probity, propriety within Government. We have had all sorts of challenges to deal with, all sorts of local and international headlines screaming about a lack of transparency, a lack of proper process being followed in Government. I won't go into all the details of cases like the Cohen financial deal fiasco, the cruise berthing situation with GLF and Decco and China Harbor; investigations into the Premier. But there is a general atmosphere in Cayman which never existed before, that there is something not right about the way Government operates.

So, the 22nd of May signals a fresh start where the country will chose a new Government, a new administration, hopefully with a view of putting behind us the terrible reputational issues of the last three and a half years. Most of those issues have arisen under the leadership of the First Elected Member for West Bay. I would have thought, Madam Speaker, that he would be the last person to suggest that we shouldn't have observers in who would give us a certificate of good standing in international communities, that despite all of what appears to be the start of rot within our system of Government, our election process remains solid,

robust, fair, capable of delivering a true and fair democratic result.

We need a fresh start. I don't know that the Elections Law (I have looked at it) has any provision which allows official observers to come in. I don't see any provision there. But there is nothing, I don't believe, to prevent persons from elsewhere looking at what it is we are doing even though they may not have any official standing. Why would we object to that? Why would we compound this reputational issue that we have by sending a message to the international community that we have something to hide because we don't want anyone from outside to look at what we are doing?

Madam Speaker, I am always astounded at the audacity of the First Elected Member for West Bay. But this one, I have to tell you, really takes the cake! To use an expression that he loves to use—the man who burned down the fire station is now complaining about us bringing in some new fire fighters, and new fire equipment.

Madam Speaker, I, too, am concerned about the optics of the UK sending in international observers in the context of all that has transpired over the course of the last few years, and particularly the last few months, because that does create an impression that the UK is gravely concerned about what is happening to Cayman as far as governance is concerned. But that, I believe, whatever the issues are about optics with that will be short lived if, at the end of the result which we expect, what we get is a report from the observers saying that we have a good solid elections system, it is well run, the democratic process has been conducted in a fair way with a result that is entirely reliable, that there was no intimidation, that there was no fraud, there were no election offences committed. That is the kind of certificate of good standing that we need to help lift us from the depths to which we have sunk as far as our international reputation for probity and propriety and good governance and transparency are concerned.

So, Madam Speaker, I will say a resounding *no* to the Motion which is being brought by the First Elected Member for West Bay seeking to have this House and Cabinet reject the prospect of international observers to take part in our upcoming general elections on 22nd May.

I thank you, Ma'am.

The Speaker: Thank you, Leader of the Opposition.

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

If not, I call on the mover of the Motion to conclude the debate.

Hon. W. McKeeva Bush: Madam Speaker, I listened intently to the Premier's statement. But, Madam

Speaker, in moving this Motion I had no doubt whatsoever that I was going to hear any different from the Cabinet or from the Opposition. The Cabinet has to do what the Governor wants done. It's a fact! He's running the country. They are a minority Government and so it must be a good feeling of an Opposition, who is supposedly the Official Opposition, to demand of a Government what they want. It must be a good feeling.

Madam Speaker, in opening this Motion, I brought this for the same reason that they say that we should bring them in, I say we don't need to bring them in because we have had no problems whatsoever. Why then do they want to come? To give us a certificate of good standing? If the system is as good and if the people are as good as the Premier says, we need somebody to come in to wash their feet to give the election officials a certificate of good standing? No, you don't make me believe that.

You don't make me believe that, and I don't! I don't believe one word that they said. Oh, the stuff they read about what obtains, well, yes, of course. You have the Organization of American States; you have all those that I named out from this book, some of them, the Commonwealth Parliamentary Association. All those: the Council of Europe and everybody else. They send observers, Madam Speaker, to the states that have systemic problems, that millions of votes are unaccounted for, election fraud, massive election fraud, murders. They send observers to Haiti and Angola, for what? Madam Speaker, where election results cannot be heard for days, because of there being massive, massive election fraud.

I expected no better. No matter what motion I had brought here, I wouldn't get any support. Who do they think they are fooling? Not me!

And, Madam Speaker, to deal with the tongue in cheek debate (which he can't do any better) of the so-called Leader of the Opposition, he says he would like to leave the impression that because a few radio shows and other things . . . Opposition for the last four years . . . remember, he's the man, Madam Speaker, that said that he was going to start a campaign that nobody else had ever seen in this country of opposition. And he did that. And he has somewhat succeeded. He succeeded because we had weak people on the other side. That's the only reason that he succeeded.

Madam Speaker, time hasn't finished yet. It's not over 'til it's over. But for him to have . . . he is talking about audacity? For him to have the audacity and the temerity to talk about probity and propriety . . . what a joke!

Madam Speaker, yes, they have investigated me. Make them investigate. They will find nothing. They have found nothing! I just wait my time out because I've done nothing illegal. I know why I was removed. The whole world now knows it. They can check everything under the sun, I have done nothing

illegal. So I am not worried about it. The Bible and the Lord God Almighty, the Bible tells you what the Lord God Almighty will do. And what He has done He will do again.

Madam Speaker, a fresh start in May? Well maybe we might not be here for that fresh start. But I hope there is one. I hope that there is a fresh start, Madam Speaker, from all that has gone on here where you can't get anything done because everybody, particularly the Leader of the Opposition has made everybody believe that there is something wrong here and he, Madam Speaker, as Gerard [PHONETIC] said some 50 years ago, he is one of them that if he can't run the ship, can't be the captain, he will go down in the engine room and wreck the engine.

Madam Speaker, for him to talk about investigations . . . when did the investigation start? Didn't it start under him? Wasn't there a commission of inquiry with a bunch of them? What did they do? Didn't the Auditor General say there was \$60 million in one ministry alone unaccounted for and he was leading the Government?

[Inaudible interjection]

Hon. W. McKeeva Bush: From the back? A general loss of probity from this country?

Why, Madam Speaker, do you think I am going to believe that everything that is wrong in this country, the Government is wrong?

I heard the Speaker say something the other day to the Youth Parliamentarians, and the parents (I think [being] spoken mostly to, I would think she was speaking to all adults there). Why is everything wrong? The church is wrong, the schools are wrong, the education is wrong, the court is wrong, Government is wrong, the Assembly is wrong, parents wrong. Is that right, Madam Speaker, for our country? I don't think so. Some people have painted it that way in order to be in the position that they are today.

But the Cayman people are not fool-fool, and they are finding that out. That's why you hear them squealing every time about C4C. They are finding that out day by day.

Madam Speaker, what could have been investigations for, were all the \$12 million of marl piled up just before election. That's what the last election . . . that's what could be . . . and \$12 million paid out to firms that didn't have any experience in building. But why was there not, Madam Speaker, investigations called into that? Why? Why was there not a continuing investigation into that Member's former President of the University College, Syed? Why? Three hundred and fifty thousand dollars on a government credit card! Why? Where is he? And they have the nerve to talk about probity?

What happened to that man that they took off of the airline? What happened to him that the police

went and grabbed before they left? Why? Why was there not some investigation into that? Uh-uh. They are not the political powerhouses that they think they are, so they have to come to tear down those who are the strong ones. They have to do that. But doesn't history show us that? Doesn't history show us that?

I tell you what? Joey has been singing some good songs too. You wait and see what comes out of all of that. And he has the nerve to get in this honourable House and talk about probity and propriety?

Madam Speaker, Cohen? Doesn't he know . . . well, he ought to, I proved it here; brought the figures and showed them. Had I been allowed to go ahead with the last proposal from Cohen the country would not be paying \$55 million more in 10 years that we are. But because of their so-called good governance, no, we couldn't go to Cohen. We had to go, according to them, to get it from the people here, who charged us, instead of a small percentage—at that time, the base rates 0.25 [per cent] US—we ended up with 5.7 [per cent] or 5.8 [per cent] here. And so, we are paying \$55 million more.

He would like the people to believe that somehow I was doing something wrong. I showed them, against my own conscience, because the truth is I felt we should have gone ahead with that deal because we were saving \$55 million more, regardless of the licks and accusations I was taking. Yes!

Madam Speaker, can you imagine in this country, a man responsible for pensions in the country, the same Leader of the Opposition, and what did the country lose? Two hundred million dollars, between 2005 and 2009! The poor people in this country! And he has the nerve to get up here and say there needs to be a fresh start. There needs to be a fresh start!

Madam Speaker, you know the most they can say? A paid park ranger is too much. Thirty-three hundred dollars per month and out of that they have to pay \$650 for insurance, no pension, cleaning the bush, showing the visitors. Madam Speaker, that is what they call reputational problems? Yes, we do have probably, because of them, because of the things that he's done.

If we had the kind of reputational problem in this country we would not be doing the kind of finance business that we are doing in this country. We would not have an Aa credit rating. We would not have it continuously—Aa3 credit rating. So he gets up here and makes people believe that the Cayman Islands is falling apart. Where the Cayman Islands is hurting, Madam Speaker, is because my Government could not get any of the projects off the ground to kick-start this economy to hire people, to stop people from losing their homes and for people suffering generally because of no money. That's where we are hurting!

But the stop-a-holics, the ones that were causing a petition on everything—stop the roads, stop this . . . yes, they had a serious, serious sickness for

the past three years. And he has the audacity, even the temerity to come here to talk about reputational damage to this country? Yes.

Give us a certificate? Certificate for what? For something that we already have? I don't need another one, we have one! It has already been branded many, many, many times over. But they want it because the Governor says they should get it. That's why. What a pain, though. You know what hurts, Madam Speaker? Is to see a democracy that we are supposed to be in, settled down to what we now have to face. It really strikes me as being a pitiful mess, a pitiful mess where we are so divided and conquered that we now have to have a Government and an Opposition, and an Opposition who is an opposition—

[Inaudible interjection]

Hon. W. McKeeva Bush: You're not in this; keep out of it.

Madam Speaker, I am being reminded that a nation cannot be conquered from without unless it is conquered from within. Madam Speaker, that is so true. History never fails us. And any one of them over there that would read would know it. I suspect the Premier would know it, she's a lawyer, she would have read.

[Inaudible interjection]

Hon. W. McKeeva Bush: I won't go that far.

Madam Speaker, they can't come here . . . he must stop talking about people being dishonest. Those people who always want to talk about people being dishonest, they first know how to be that, eh? You know what the Bible says, "As a man thinketh, so is he." Do you think the Bible is not right? The Bible is very right! Very right! He thinks because he can come here that the so-called May general elections are going to be easy for him because he never got me out of the way. He hasn't gotten McKeeva out of the way.

[Inaudible interjection]

Hon. W. McKeeva Bush: *Hard man fuh dead!* Okay? *Hard Man fuh dead!*

Madam Speaker, I brought this Motion because I thought it was the best thing to do. We have been taking enough licks from them up there. And this is only another one to say, *We've got you where we want.* But they had us where they want us because he put us there, Madam Speaker.

In all these many years, 40, 50 years of self-governance . . . he's talking about reputational damage? Where we now have to go to them to ask them for an overdraft, where we now have to go to them to tell us what fees we can put in, how much to put in? And he's going to sit there and talk about I have the audacity to bring this kind of Motion? He caused it,

Madam Speaker, by his overspending and whatever else he did; the \$60 million that can't be accounted for in one ministry! One! What else was there? You know what? What is true? Where the reputational damage was, Madam Speaker, is the financial industry that could not trust him as his own former colleague got up there and said today he would not do the things that was necessary, the same Leader of the Opposition.

Four years, Madam Speaker, and no accounts! You know what that does to International reputation? Well, let me tell him. He's talking about people questioning where we are? Madam Speaker, I travelled. You know I did. They complained enough about it. And every time I went one of the questions when we were doing that bond was, *Where are your accounts? Where are your accounts? Where are the country's accounts? Where are the Government's accounts? You don't have accounts.* And yet, I am saddled with \$309 million, \$312 million of a loan to get from London, San Francisco, Boston, Hong Kong, New York. Madam Speaker, we sat in those offices bombarded by the questions: *Where are your accounts?* Yes.

Madam Speaker, I went through all of it. Succeeded! Today we have maintained Aa3 rating. That's not good? If I was such a bad fellow, Madam Speaker, I couldn't call up Moody's. I couldn't call up Morgan Stanley and get my advice, nor HSBC, Madam Speaker. I couldn't. But they all wanted to work with us. They all wanted our business, and still do. Still do, because we did the right things! We made the hard decisions!

But for that Member to come here when he didn't have any accounts for four years, when one ministry alone was \$60 million, when the pensions from 2005 to 2009 under his administration, Minister responsible for pension, lost \$200 million of our people's money . . . put it down, write it down, you want something to campaign with up in Bodden Town, write it down. Two hundred million dollars! That's what we lost. And he comes here like he's some angel. It's like he's some angel. All he's doing is preparing for elections. That's every word in this last meeting. He has to get ahead because of elections. You can't do this because of elections. You can't listen to the Speaker because you have elections. We have to hurry because we have elections. He is in such a hurry to get where he wants to get! He *ga* get where he wants to get.

So, Madam Speaker, I have no apologies for bringing this Motion. I have none. It's the right thing to do. Our system is a good system and if they are not going to, I would hope that they would protect the democratic principles of our Islands. The only reason we are doing it . . . they are going to find some way to smear us. More headlines, more questions, more road show stuff, more talk in the mornings, big thing, observers now have to come to Cayman. I'm not scared of them, Madam Speaker. I have won seven elections;

six being the first by a huge majority, 70-odd per cent; 80-odd per cent—huge.

One time, Madam Speaker, they wanted to test me. Mm-hmm. They counted over and I ended up with two more votes. Another time they said they were going to bring a petition, and before two months were out they cut tail and run.

Oh, you had those kinds of things. But that doesn't say that this system that we run here is a bad system. We know there have been some things that we . . . but it's not what is called for observers, when you read what they do; what they are supposed to do. The Premier can't get up here and talk about things and make them think like it's just a cake walk. No, no, no. The things I read out are the things that need to be done and what they come for. They are not coming to see if we have such a gold-plated system. They are not coming for that. They are coming hoping . . . that's if they are not already saying, because you know how they do things, they do things this way. They call for it and then they give some article to one of their newspapers up there making something, going to some historical thing and blowing that out of proportion.

Think it is not so? I am going to give you a good example why I know they can't be trusted. I am going to give you one good example. The Jamaican visa that I wanted changed up. Oh, they went out of their depths to say why it couldn't be done. You know the last thing they did? Oh, they are going to say they never did it, no it just happened so that the US would come out, one obscure US organisation would come out and say "Jamaican kills baby by gunshot." And they could come in Cabinet and grin and say, "See? That's why we can't do it." Do you know who killed the baby? Know who's going to jail? A Caymanian!

But that is how they do things! Build up things to make people look bad. Without proof! .

One thing that Frank McField said was true, *Time longer dan Rope*. And I will end by saying this: none of them over there, Opposition, Governor, nobody else, none, not us, none of us didn't raise the dead, none of us didn't make the lame walk, none of us didn't make the blind see, it's only one person that did that, God Almighty. And none of them is him.

Madam Speaker, we on this side, the four of us at least, I don't know what my other colleagues will do . . . if they want to bring them, they feel that this is going to give us some gold plate make us look better, I hope it does. Our system is sound, it's good, it's safe, and has had the oversight of reputable officials that have gone to other countries to assist them in establishing their election control systems that mirrored our excellent control system.

No, I do not trust anyone else coming here. Well, I am certainly not going to trust anybody sent over from the Foreign Office at this time. So, I hope that that position is held, and that people who would probably know something about our culture, the way we do things, the nuances. And, Madam Speaker, I

hope there is going to be sufficiency if that is even put in for them. But there is a long list of things, they can't just come here. There is all kinds of things that have to be done to be able to monitor. I already named them out. I won't go back over them. But they are in the Hansard.

Thank you, Madam Speaker.

The Speaker: Thank you, First Elected Member for West Bay.

The question is: BE IT NOW THEREFORE RESOLVED THAT this Honourable House rejects the FCO's request and forwards to the Governor and the Cabinet our strong objection and rejection of Election Observers.

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

Ayes and Noes.

Hon. W. McKeeva Bush: Can I have a division?

The Speaker: Yes, First Elected Member for West Bay.

Madam Clerk.

Division No. 19

Ayes: 4

Hon. W. McKeeva Bush
Mr. Michael T. Adam
Capt. A. Eugene Ebanks
Mr. Ellio A. Solomon

Noes: 8

Hon. J. Y. O'Connor Connolly
Hon. Rolston M. Anglin
Hon. J. Mark P. Scotland
Hon. Cline A. Glidden, Jr.
Hon. Dwayne S. Seymour
Hon. Alden M. McLaughlin, Jr.
Mr. V. Arden McLean
Mr. D. Ezzard Miller

Absent: 3

Hon. D. Kurt Tibbetts
Mr. Moses I. Kirkconnell
Hon. Anthony S. Eden

The Speaker: The result of the division: 4 Ayes; 8 Noes; and 3 absent.

Negated by majority on Division: Private Member's Motion No. 12/2012-13 failed.

The Speaker: It is now 10.00 and I am going to call on the Honourable Premier for a motion for adjournment until tomorrow morning.

ADJOURNMENT

The Premier, Hon. Juliana Y. O'Connor-Connolly: Thank you, Madam Speaker, I wish to move the adjournment of this honourable House until 10.00 am tomorrow. I should also thank you and the staff for their indulgence at this late hour.

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 10.00 pm the House stood adjourned until 10.00 am, Friday, 15 March 2013.