



**CAYMAN ISLANDS  
LEGISLATIVE ASSEMBLY**

**OFFICIAL HANSARD REPORT  
ELECTRONIC VERSION**

**2012/13 SESSION**

**9 November 2012**

*Fourth Sitting of the Second Meeting*

*(pages 331–356)*

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

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PRESENT WERE:

**THE SPEAKER**

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

**MINISTERS OF THE CABINET**

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

**OFFICIAL MEMBERS OF THE CABINET**

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

**ELECTED MEMBERS**

**GOVERNMENT BACKBENCHERS**

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

**OPPOSITION MEMBERS**

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

**INDEPENDENT MEMBER**

Mr D Ezzard Miller, JP, MLA	Elected Member for North Side
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**OFFICIAL HANSARD REPORT**  
**SECOND MEETING 2012/13 SESSION**  
**FRIDAY**  
**9 NOVEMBER 2012**  
**10.49 AM**  
*Fourth Sitting*

**The Speaker:** I will call on the First Elected Member for Cayman Brac to read Prayers this morning.

**PRAYERS**

**Mr. Moses I. Kirkconnell, First Elected Member for Cayman Brac and Little Cayman:** Let us pray.

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

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

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

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

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

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

**Apologies**

**The Speaker:** I have only one message, the Second Elected Member for Bodden Town sent an apology for being late today.

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

**The Speaker:** I have two statements from the Premier, which I have given approval to.

**Proposal from Philippine Airlines (PAL)**

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, recently, the Cayman Islands Government received a proposal from Philippine Airlines (PAL) and their parent company, San Miguel Corporation, to jointly explore mutually beneficial ways of working together. The Government passed the proposal on to the CAL Board to explore the validity of merits of the proposal. Based on the responsive feedback from CAL's Board, San Miguel Corporation and Members of CAL's Board, were allowed to present such a proposal to the Governor in Cabinet.

San Miguel Corporation is a multi-billion dollar company and has expressed great interest in investing in the Cayman Islands in more ways than one. We welcome this exploration of potential investment and trust that they will ultimately chose to invest in these Islands. With their controlling ownership of PAL, there also appears to be some potential opportunities for Cayman Airways and the Cayman aviation sector, in general, to benefit from an investment by San Miguel Corporation.

Madam Speaker, accordingly, Cayman Airways is currently in discussions with Philippine Airlines to ascertain if there are ways for the two airlines to work together. The exploration of this potential collaboration is covering a variety of areas, but includes reviewing the ability to code share, to provide aircraft operations, including other strategic areas. These explorations are very preliminary, Madam Speaker, and while there may be great speculation in the media, as usual, as to what may ultimately be agreed, nothing has been confirmed at this point and discussions are ongoing.

Cayman Airways has also been exploring the concept of raising capital through a variety of options. The introduction of preference shares as an additional class of shares is one of those considerations that could easily be pursued to raise capital from any potential investors locally or otherwise. These non-voting shares provide for a stated return to the holder(s) and provide an equity source of funding for the airline. Un-

der the Public Management and Finance Law, and the Framework for Fiscal Responsibility, the ability for the airline to issue preference shares requires obtaining Cabinet, House, and United Kingdom approval. Madam Speaker, considering the lengthy approval process, this too is only exploratory at this time. Assuming the necessary approvals can be obtained, preliminary discussions with the San Miguel Corporation suggest that they may be interested in purchasing some of these preference shares in Cayman Airways. While this investment would be welcomed, the conceptual goal is also to offer the preference shares locally for purchase by Cayman residents and Cayman companies.

Madam Speaker, there is obviously much going on behind the scenes to attract potential investors, such as San Miguel Corporation, to the Cayman Islands. Our national airline is quite busy exploring the potential ways and benefits that such an investor could bring to the key service that Cayman Airways provides to these Islands. Many ideas and concepts are being explored and considered, but nothing is yet to the stage that could positively be released in the absence of any definitive agreed terms. Indeed Madam Speaker, the MOU I have signed with the San Miguel Corporation stated that we would explore potential ways to work together, and that is exactly what we are doing. The necessary due diligence and seeking of approvals all need to be conducted, but at this point it is sufficient to say that the exploration is ongoing and I look forward to bringing more details forward if some of the ideas are commercially viable and acceptable under the PMFL.

Cayman Airways Management and Board should be commended for their continued efforts to realise ways in raising needed Capital for a variety of purposes such as to purchase their current fleet of aircraft instead of leasing in order to reduce operational costs (ownership vs leasing). Madam Speaker, we do know and understand that the Government has now given Cayman Airways about \$26 million per year. However, the types of initiatives that I have spoken about have been embarked upon in order to reduce their dependency on the Government and ultimately the people of these Islands.

Madam Speaker, I will address the speech made by the Member for East End, a highly irresponsible speech made by the Member for East End, when I wind up the debate on the FFR [Framework for Fiscal Responsibility]. I have much more to say about what he attempted to do in this honourable House. I am going to respond, Madam Speaker. I will not—

**The Speaker:** Please continue with your [statement].

**The Premier, Hon. W. McKeever Bush:** I will not counter any interruption from that Member. Please.

Madam Speaker, I am also proud to announce, as informed by our chairman and manage-

ment of CAL, that for possibly the first time in the history of our national airline, or certainly within the last decade, the company made a small profit for first quarter of this fiscal year (July to September 2012). And this is, of course, Madam Speaker, within the \$26 million or \$23 million that we give Cayman Airways. While not much of a profit, in consideration that the airline is coming from comparable quarterly losses for the same period in excess of \$2 million in 2009, we should all be proud and continue to support the management and board of Cayman Airways to get us to even further heights.

Madam Speaker, just to say that it is treacherous to have done what was done here the other day. I will address it further. Thank you kindly, Madam Speaker.

**The Speaker:** Are there any questions? [pause]

I did ask if there were any questions on this statement. I have not received any response.

If not, I have given permission to the Premier to make another statement.

### Taiwanese Visa-Waiver Agreement

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, the information I am about to share has in essence already been approved for release to the public through the mass media. However, it is deemed to be sufficiently significant to draw specifically to the notice of this honourable House.

Madam Speaker, in [keeping] with our mandate to continually improve investor relations and international cooperation to strengthen our economic sector, Cabinet has approved amendments to the Immigration Regulations (2010 Revision) to allow Taiwanese passport holders to enter the Cayman Islands without a visitor's visa.

Madam Speaker, this immigration amendment is the first phase of a bilateral visa-waiver agreement between the Cayman Islands and Taiwan. The agreement is expected to be reciprocated by Taiwan who has expressed interest in the benefits that it could provide to both parties.

These discussions were initiated by the Taiwanese Representative office in London as they currently have in progress a visa-waiver initiative covering some 114 countries, including the United Kingdom and most of its Overseas Territories. Cayman was one of the remaining Overseas Territories without such an agreement with Taiwan. Madam Speaker, Taiwan was one of the places I visited to discuss this initiative when I was off the Island recently.

This agreement is expected to enhance economic, political and cultural links and to augment tourism and business development possibilities. Taiwanese business people conducting business regionally will now have ease of access to travel to the Cayman Islands.

Currently, Caymanians who hold British passports already enjoy the benefit of visa-waivers for visiting Taiwan through the agreement between Taiwan and the United Kingdom. But this new agreement by Cayman would afford holders of Cayman Islands passports easier access to this vibrant point of interest and economic hub in the Far East.

Another significant benefit, Madam Speaker, is that Caymanian and Taiwanese students will have an opportunity to participate in reciprocal exchange programmes and further enrich their cultural appreciation, which is more and more a requirement to effective participation in our globalised environment. This is an important factor in the nurturing of our youth, and has long-reaching advantages to shaping their future through learning about Asian culture; an engagement that has taken on the character of an urgent imperative, in recent times.

I should add, Madam Speaker, that, this is now finalised, in operation, and the next stage is to conduct a similar agreement with China, which is now in discussion also.

Thank you.

**The Speaker:** Are there any questions? [pause]

If not, we will move on to the next item of business.

## GOVERNMENT BUSINESS

### BILLS

#### SECOND READING

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

*[Continuation of debate thereon]*

**The Speaker:** Continuation of debate on the Public Management and Finance (Amendment) Bill, 2012.

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

Fourth Elected Member for George Town.

**Mr. Ellio A. Solomon, Fourth Elected Member for George Town:** Madam Speaker, I rise to make a contribution on the Bill before us, the Framework for Fiscal Responsibility. Without a doubt I listened attentively over the last couple of days, and it never ceases to amaze me how there seems to be a challenge in this honourable House for some of our Members to tell the truth. It is also unfortunate, Madam Speaker, the general destructive nature that you tend to have, again coming from so many of the Members here in this honourable House.

Madam Speaker, it should be obvious to all of us that the truth is fundamentally important. And when people do not do it, it has a negative impact on all of our lives. I remember when I was younger, working at the Computer Services Department of Government. I had a gentleman when I was there as a technician. He called me aside one day and said to me . . . he pulled me aside actually, by the elevator, and he said, "Ellio, you have a lot of potential. But you need to get yourself organised." As a result of that truth, Madam Speaker, and at the same time that word of encouragement, I was able to grow a little bit more. I went out and at the time perhaps making around \$1,000-plus every month, and bought a tool kit for \$525, which was a fair investment, and got myself that much more organised. It wasn't many years after that that I was in charge of the technical department.

I say all of that, Madam Speaker, simply to raise the point: the truth is very, very important. The consequences of not telling the truth is destructive, and when we do tell the truth and we do it in a positive way it is liberating and it can help persons to grow. So I hope to do a little truth-telling this morning to help liberate some of the Members of the Opposition, because I think that many of them have either forgotten or have blatant disregard for the truth.

Anyone listening to the debate over the last couple of days would perhaps walk away with the wrong impression of the FFR. The Opposition has stood here—namely, the Member for North Side, the Member for East End and the Leader of the Opposition—in this honourable House and would cause the general public to infer that all this is about, in terms of the FFR, is very simple. The United Kingdom is simply trying to punish the present Government for the way it has handled things in terms of the process. That's the impression that members of the general public would draw if they listened to the Members of the Opposition. When, again, the fact of the matter is they are not being truthful.

This situation is much graver, much larger than simply a case where this Government didn't engage in certain processes, and, as a result of that, punitive measures are being taken against this Government. That is not the case. The situation is that this FFR, it seems the Opposition does not appreciate, has tremendous gravity for the people of these Islands that we were elected to represent. Madam Speaker, I believe it is so important that it can perhaps only be compared to the very Constitution that was installed in this country in 2009.

I have stated numerous times, Madam Speaker, in this House and in the general public that when it comes to the finances of this country there is no truer form of independence than financial independence. There are countries that have talked about political independence and they are still dependent. But like the good word says, God blesses those who can do for themselves. Financial independence is the

only true form of independence. And what we are witnessing today, in terms of this particular piece of legislation that we call FFR, they have an obligation to tell the people of this country how important it is. Tell them that it is the United Kingdom trying to claw back, arguably, what they gave this country in 2009. They cannot be so blinded that they are missing the forest for the trees.

But let's take a ride down memory lane because there were a lot of things done in this House that I seek to address. And I did hear the Premier mention that he was going to touch on one of the things that the Member for East End said in relation to this PAL/CAL issue. But that doesn't rob me of the opportunity to touch on it as well.

How did we get here? Listening to the Leader of the Opposition speak how his memory fails him, Madam Speaker. This country always had the ability to go into our pockets working on behalf the people of this country and determine how much money we were going to be able to spend. If Social Services needed \$6 million instead of \$5 [million], we made that decision. Our own elected officials, the 15 of us in one way shape or another, were able to determine that we were going to provide additional funds for the people of this country through Social Services, to the Health Services for those who are sick, for the Police, for scholarships. That is what we are here for. We are here to work on behalf of the people of these Islands. And a fundamental way to do that is about dealing with the scarce resources that we have, fundamentally the amount of cash, the amount of money that we have to be able to spend on those services.

So, Madam Speaker, anyone, any group, any party that does anything to put this country in a position where it is restricted, that it cannot spend that money to feed the people that are desperately waiting for us to give them aid, Madam Speaker, to put it mildly, has done this country a serious, serious injustice. So, when the Leader of the Opposition stands there he needs to stand there and tell the people of this country the truth. The truth is that what he inherited, his administration in 2005, was a country where elected officials still had the ability to go into the cash, into the reserves, and be able to provide for the people of this country. And it is because of the actions of the previous administration that it was robbed from the people of these Islands the ability for their own elected officials to do just that.

The PPM Administration did that to the people of this country between 2005 and 2009. Between the global recession and their wanton disregard for the financial management of this country, that's where we found ourselves. The Leader of the Opposition stands there and talks about processes; and again pointing at this Government as if this was the only government that had ever been engaged in any sort of project and ever had to deal with something that we would call a "process." Well, let's talk about process.

The Leader of the Opposition, his government, in terms of the construction of the schools . . . and there is one thing I know, Madam Speaker. Our people have a tremendous wealth of good commonsense. They only need to hear the truth and they can make up their minds. So, what member of the public today would tell me, tell you, Madam Speaker, or tell the Members of this House, or tell themselves, most importantly, that a process is working when the previous administration put something out to bid to build their \$100 million schools, two or three of them, they got a series of bids coming in around \$90 million and one of the lowest bids was approximately \$60 million? And you end up choosing the one for \$60 million, Madam Speaker, when everyone is telling you that it's too low, is it not obvious what is happening? Somebody put in a bid to get their toe in the door.

Madam Speaker, we are not talking about someone trying to build a house and you get a bid for a quarter of a million dollars and the next bid that comes in is perhaps not \$250,000 but \$230,000, a \$20,000 difference. We are not even talking about a \$20 million difference. We are talking about a \$30 million difference between the two lowest bids. Madam Speaker, it doesn't take a genius to see that there is something wrong when you get a bid for \$30 million less than the other one. I believe, as the Member for East End was saying, Ray Charles could see that; blind Bartimaeus could see that there was a problem with that.

So, this is where we talk the people of this country being fundamentally concerned, making sure that we can deliver the goods, the products and the services that they need, and in some instances want, and doing so with value for money, and then you have a Government that engages down a \$60 million project, which they know is going to cost \$100 million, and there are all kinds of behind-the-scenes moves of providing \$12 million here and another \$1 million there to try to crutch it up so that they can make it pass the gate to the elections in 2009 and no one knows.

It came out here in Finance Committee, all of the backhand moves that were taking place—writing to banks to pitch and to patch every little thing to make it look just perfect for the elections in 2009, giving them, with that \$30 million we were short in terms of the quote, a letter of comfort. Madam Speaker, for the families right now who cannot pay their mortgages, who are having problems struggling with their businesses, I want to ask the Leader of the Opposition and the Opposition themselves, where is the letter of comfort for them? Is there a \$12 million letter of comfort for the people of this country that need help? There is none!

Even right now the Leader of the Opposition is not here. I think he's in the backroom somewhere, in the kitchen. You see? That's the regard we have for the people of this country. And then we still come down here, three and a half years later, and amnesia

still seems to plague so many of them that they have an inability to reach somewhere down in the well and find a little inkling a little droplet of truth. Tell the people the truth! As good John would say, the truth will set you free. Tell the truth. Tell the country that you made a tremendous amount of errors and as a result of that, part and parcel of that gave the United Kingdom a chance to finally do, in my humble opinion, what they wanted to do in the first place. And that is to take stronger control over the finances of this beautiful Island that we call the Cayman Islands, the fifth largest financial industry in the world, that all of our forefathers in one way shape or another built. That Government handed it over to a faction over there in the United Kingdom that wanted it in the first place.

So it bothers me, Madam Speaker, when the Members can't come here and give that degree of honesty.

We would have heard today, again they would have accused the Government here about a lack of transparency. Yet we hear about the Dragon Bay project. Understand that the majority, if not every member of the general public, was completely unaware that the PPM Administration had signed an agreement [with] the same Ritz Carlton that they cursed and swore down; that same group that they were cursing just before they got in in 2005. They went behind the scenes and signed an agreement for the Dragon Bay project; gave away, up until today, concessions in the millions and millions of dollars that the people of this country were completely unaware of. And in all of that, Madam Speaker, they have the nerve and the audacity to stand on that side of this hallowed House and accuse this Government of lacking transparency.

No, Madam Speaker, if there is an issue in this Government it is because it has been very transparent. It is because every project that we do, the country is aware of it sometimes even before it would perhaps be most prudent for them to be aware, but we have been very transparent. And it is because of that transparency that allows the Opposition to go out and tear down and, as they say, blackyaad, every project that you have. That's what it allows. But no one could do that to the Dragon Bay because no one knew about the Dragon Bay.

So, Madam Speaker, when they are there in their sleepless nights on the other side in their little valley of despair wondering why we are here with the issue of FFR, it is because that Government there, that previous administration, the PPM, handed us over to the United Kingdom Government and gave that Foreign and Commonwealth Office, arguably, what they always wanted, greater control over the finances of this country.

Madam Speaker, for those who may say for a second that they didn't want to change the way we do business, let me invoke (they say [*De mortuis nihil nisi bonum*—say nothing ill of the dead]) . . . Madam Speaker, read, just in Sir Vassel's book, *As I See it*,

page 208, left-hand side, bottom left corner. What does it say? He says from 1970 . . . and there's that good saying, "new broom sweeps clean, old broom knows every corner." Well, [Sir] Vassel Johnson knew the corners and he said that since 1970 he was visited by a Mr. Derek Matthews who was telling him, *change the way your system working; we don't want this financial system that you have*, since 1970. So, they have been knocking at the door for a long time, Madam Speaker. That's a long time; that is decades. And that is why many of those same older heads could stand here and tell us to engage in good fiscal prudence so that we never find ourselves in the position that the previous administration put us in. That's what they did to this country.

Madam Speaker, without a doubt I can go on and I can go on. The previous administration, even when they were admonished that there was a pending global recession coming to this country that was going to impact the lives of their people—our people that we are here to serve—put together an Economic Advisory Committee that up until today none of them can stand there . . . The Economic Advisory Committee, Madam Speaker, under that administration never met! Never met! Imagine that.

Understand the seriousness of it, Madam Speaker; that you know that there is a problem, a truck coming to hit someone that you love, a hurricane coming. Just yesterday we gave a word of silence for the 1932 [Hurricane]. Understand what it would be like to know that the hurricane of 1932 is coming. You know it's coming! They knew it was coming! One of us knows it is coming and does nothing to very little to prevent the loss of life. They knew that there was a hurricane coming, an economic storm and hurricane was coming to this country, a global recession. And they put together an Economic Advisory Committee and weren't men enough (whatever it took, Madam Speaker) to make sure that it met and gave them advice and did whatever corrections and adjustments they could to minimise the negative impact on the people of this country. And they have the audacity to come down here and talk about process.

They failed the people between 2005 and 2009. They failed the people of this country that they were duly elected to serve. They have no rights to stand on that side of the aisle and talk about this Government. Their hands are not clean! And their conscience cannot be clean, Madam Speaker, because they failed the people of this country. If I am wrong, let them stand with some point of elucidation and contest what I am saying. When you know that something is pending and coming to harm your people and you do absolutely nothing to help them. The so-called leader at the time talking about, *Oh, it's not going to have more than a \$200,000 impact*, when Lehman Brothers disappeared. That's what the people of this country had to deal with.

And yet now, all of a sudden, they are financial geniuses. They are geniuses in terms of processes and running of a country. And yet now, even the Leader of the Opposition and the Member for East End and other Members have stood there and given their debate, they have not even mentioned the gravity of this FFR and the impact it is going to have on this country. They are still over there doing nothing else other than political pandering and trying to protect their own hides, by talking about processes. It is a sad, pathetic state of affairs.

I know that Member for East End got up yesterday and talked about this Cayman Airways issue. Madam Speaker, I am not going to delve into it. The Premier said that he is going to touch on it. But I want to say, where are we going with this country? What is it that we are trying to achieve? The Member for East End, as just one example, can't claim to be ignorant of the fact. He is not a not-elected Member. He is not just backbench or Opposition; he was a one-time Minister of this country. So, in the situation that it was a requirement to have been a Minister to know (which it shouldn't be, but if that were the case), then that Member is fully aware that the Government is engaged in a negotiation and how important it is, how sensitive it is, that you don't go out giving out the information. Even if it is factual, you don't give out the information. It may aid one side in the argument, hurt the other, or simply even stall or potentially completely cause those negotiations to break down.

That Member knows that, Madam Speaker. But yet, he doesn't come down here and just simply divulge information that is factual, [he] also divulges information that is not factual, that is not truthful, Madam Speaker. Where is it that they want this country to go? They are destroying this country, Madam Speaker. How is it that any government . . . I don't worry about the United Democratic Government, Madam Speaker. Any government that has the obligation to serve the people of this country, how are they going to serve it when you are going to have Members in the very honourable House who are here, duly elected by the people of this country, that are running around scandalising every project, every negotiation, how is it that we are ever going to succeed as a country? The saying goes that a country cannot be conquered from without until first it is conquered from within. And, Madam Speaker, the Opposition Members on that side of the aisle are conquering and destroying this country on a daily basis from within. And a kingdom divided against itself cannot stand, Madam Speaker.

My goodness, we should be able to at least for once in our lives be able to put the people of this country first and let us say let us get these projects off the road. There are people that are starving, Madam Speaker! People who have mortgages to pay! Challenges with their businesses, and all we have on the other side is nothing else but a blatant and planned group of destroyers, Madam Speaker. They are not

destroying this Government; they are destroying the country. They are destroying the opportunities for the people that we are elected to serve. We are hurting Caymanians.

Madam Speaker, if we are successful today it is because our forefathers did just the opposite of what we are seeing done by that side of the aisle. They didn't go and complain. They didn't go and tear down others, Madam Speaker. They went overseas, worked, sent their money back home and did what they did, their small contribution which ended up being a good step, and many good steps in the right direction, to making us and putting us where we are today. And, Madam Speaker, I say, because it truly saddens me and I really have to wonder, if the Opposition is allowed to continue on this tirade that they are going on, and any Opposition for that matter, how is it that we are truly going to help the people of this country? How is it that we are going to make the Cayman Islands as great as it could be?

Madam Speaker, I told you earlier on about the gentleman and myself with the tool kit, getting myself organised. I say that because I believe that is the same situation with so many of our people, so much the same situation with this country. I believe that this country, 25 by 8 miles, which includes the two Sister Islands, has not even seen its true and full potential. It just needs to get itself a little organised. It just needs people who are willing to work for it every day and see what contribution they can make, rather than fighting and creating a divide. Work towards it rather than going out there and trying to destroy everything that has some potential to grow. It is truly, truly a sad day, Madam Speaker.

I am not going to harp too much more on the Opposition. I believe the country already knows that was perhaps a short reminder that that administration is precisely what has put us in the position we are in today, where the United Kingdom . . . and I want to stress that when I say United Kingdom, I am not talking about all the people running around in Great Britain. I am talking about certain factions in the Government. Because if there is anyone in this honourable House who doesn't believe that the United Kingdom in that sense has their own agenda for the Cayman Islands, then we are all sadly mistaken. And so, Madam Speaker, this FFR brought to this point because of the global recession and the wanton disregard for the finances of this country by the previous administration has all culminated together to finally put us into the jaws of the lion, the United Kingdom Government, where they can now dictate to us exactly pretty much what we can spend and how we can spend it.

And, Madam Speaker, if we were to picture . . . because when we look at this FFR, I didn't hear much comment on it. All I heard from them was this "process" argument. Madam Speaker, there is an argument biologically that says if I am allowing to get that blood to flow to every single organ in the body,



and good fresh oxygen is able to get there we can't get sick. We can't get the cancers and all of the other challenges that we have. But if I am slowly able to constrict on those arteries to a point where I either seriously reduce the amount of flow of blood and oxygen, or, God forbid, if I am able to restrict it completely, Madam Speaker, I have a problem now.

And the United Kingdom, Madam Speaker, I put it to you, by way of this FFR is attempting on a daily basis to restrict this administration and any administration in the future. It is restricting what it can do, and what it cannot do. And, Madam Speaker, that therefore biologically limits the amount of oxygen supply that can go to the organs, limits the amount of blood, or fresh nutrients that can go to the people of this country. That's what is happening.

It is a nice clever way . . . I hear them talking about substance and form. Well, the United Kingdom Government here, through the Foreign and Commonwealth Office, can say anything they want to say in regard to form. I am saying to you, let us look at and examine this particular Bill that is before us. In substance what it is doing is restricting the ability of this Government and administrations in the future to be able to serve its people. And that ultimately is going to force this Government to either, 1) have a serious problem when it cannot provide services . . . but here is where I really think it wants them to go. We all read that little story about *Gulliver's Travels*. Madam Speaker, he's a giant, you know. But in the land of Lilliput there are little men that tie him down. So that big giant gets tied down by little people with little fine pieces of rope.

That may sound a little humorous, Madam Speaker, but that's what it is. One strand at a time gets you to a point of restriction that you can no longer do anything. You cannot even serve the people that you were elected to serve.

So when we look at this FFR (which I will go through a little bit), but let me say in a very circum-spect way, Madam Speaker, that this FFR is attempting to do just that. One strand at a time it is restricting the way this Government can function. And when you tie down this Government, to get what Sir Vassel Johnson talked about when he said he was visited in 1970 . . . how do I bring about exactly what they wanted, that was expressed by Sir Vassel Johnson, by Mr. Derrek Matthews, from the same Foreign and Commonwealth Office in 1970? How do I get it? How do you destroy a financial services industry, Madam Speaker? You destroy it by destroying the thing that created it in the first place.

The Government had in those days to create the necessary legislation, to create the right environment within the private sector where the financial services industry could grow. And it is because of the way we have operated for the last four, arguably going on five, decades that has continued to allow that financial services industry to flourish. This is why we

are not in a position where we are talking about income tax. But that is exactly what the Foreign and Commonwealth Office wants. They want to stop the financial services industry and the way to do that is to force the Government to tax, which is why when the previous administration did what they and handed us into the hands of the Foreign and Commonwealth Office I believe they even thought they had us from 2009.

How do I know that? Because Mr. Chris Bryant, the Secretary, the person responsible for these Overseas Territories, writes to the Cayman Islands Government elected in 2009 and says, in essence, *I want you to put in taxes*. I believe, Madam Speaker, that they were arguably in a position where they thought that they had us. But, Madam Speaker, because of the hard work, ingenuity, innovation of this Government, and most importantly, because of the Grace of God, Madam Speaker—*grace of God*—we were always able since 2009 to find a way out that we did not as a Government have to implement taxes and therefore as a result of that, destroy what we have now come to treasure over the last so many decades, Madam Speaker—the financial services industry; one that has provided employment and numerous benefits for the people of this country.

We did not have to do it—hard work, innovation, Madam Speaker, and, most importantly, by the grace of God. And I can say to you, Madam Speaker, grace of God especially, because I can tell you that Members on that side of the aisle have been doing everything to destroy those opportunities.

When the Leader of the Opposition said publicly on the radio that he was going to engage in a campaign in this country unlike this country had ever seen, Madam Speaker, he has definitely fulfilled that. It is a campaign of destruction, unlike this country has ever seen. And, Madam Speaker, those who think that there is going to be winner in this game are making a very sad mistake. We are all going to be losers. All going to lose when this country fails, and that is why, Madam Speaker, the situation seriously pains me and bothers me that persons can be so blinded for their own political expediency to try to get on this side of the aisle that they are willing to destroy your country in the process, willing to destroy a people in the process just to form the next government.

So, Madam Speaker, let's just look at the challenges that we have. Let me highlight some hypocrisy. Let me show the people of this country how you have Members that fight against them. We heard the Member for North Side stand in this House and the only thing he pretty much mentioned (if I could paraphrase) was that his only concern was [that] he wanted to know where England was; if England was in agreement. The Member for East End also the same thing—worrying about what England has to say.

I didn't hear what the people have to say or what England has to say. They are even calling on the

good Acting Deputy Governor to tell us where England is on this issue. We want to hear what they have to say. I didn't hear any rebellion, Madam Speaker, about this not being a democratic process. I did not hear that what England is trying to do is undemocratic to have it come to this honourable House and not be subject to amendment, that they must get what they want. I didn't hear that!

I didn't hear them say: *Where is the 21-day process on this particular Bill? Suspending? I didn't see them rallying, Madam Speaker, to go on the other side of the aisle, to go over there in Heroes Square and have a puppet legislative assembly, a mock legislative assembly. I didn't hear that.*

All they came down here concerned about was what does good jolly old London's Foreign and Commonwealth Office have to say about that. The Member for North Side even says that he is in regular communication with the Foreign and Commonwealth Office. Regular communication! Madam Speaker, need I remind him of which side he is on? He says he is regular communication with the Foreign and Commonwealth Office. But let me show you the difference, Madam Speaker.

When I brought a <sup>1</sup>private member's motion on the pensions to be able to give, not the Foreign and Commonwealth Office, not people from jolly old London, Madam Speaker, but to give Caymanians a little bit of their pension that the Leader of the Opposition sat and idly allowed \$200 million to go down the tubes; when I sat there and brought a motion to allow them to be able to withdraw up to \$35,000 from their pensions to build a house, to buy a house, to buy a piece of land or to make the final payment on their mortgage, the Member for North Side—the same one communicating with the Foreign and Commonwealth Office—was up in arms. He even wrote and spoke to the Governor saying not to assent to it. What does that mean? Don't approve it, do not make it pass, do not allow Ellio to deliver this to the people of this country because, he says, it came too early. It did not have the full 21-day notice. It might have had 15, 18 or 19, but it was not 21, so he was not satisfied.

So, there, Madam Speaker, is Ellio and the Government trying to deliver something to give the Caymanian people so that they could do what? Waste it? No! So, that they could buy a piece of land, build a house, buy a house or make the final payment on their mortgage. And I say that on behalf of the 200 families today that have already benefitted. The Member, as an example, said, *Do not give it to them!* And why shouldn't you give it to them? Because it was not the full 21-day notice. Yet we don't hear the Member crying now. We don't hear any of them crying that England don't . . . *This nah right we don't have the full 21-day notice.* We don't hear it.

All that is heard out of their political expediency to try to form the next government is, *Tell us, what does England have to say about this?* Not one of the three of them I hear talking at all today [ask], *What do the Caymanian people have to say about this?*

So, you see, Madam Speaker, it is convenient. Process to them is something convenient. It is convenient to the Member for North Side when the 21-day notice should come and when it should not come. If it is Mr. Solomon trying to give something to Caymanians, then the 21-day notice is an absolute requirement. But in this case, because jolly old England wants something, 21 days are not required. So, Madam Speaker, unlike those Members on the other side, I believe that there is a democracy here; that there are thousands of Caymanians with blood running through their veins of which their fathers and forefathers fought to build this country and there should be a democratic process. So, I have a problem first and foremost when jolly old England can send legislation here and say, *Forget about the 21-day notice; forget about amendments that allow the Government or your Opposition Members to be able to amend it and adjust it. I don't want to hear it, I want what I want.* I have a problem with that. I have a problem with that because it is undemocratic.

When I checked last, Madam Speaker, the people here in this country that we call the Cayman Islands, and we call Caymanians, are just as good as those anywhere else in this world. And England would not do that in their own country. FCO wouldn't do it back home. They should not be able to do it here in the Cayman Islands.

That is why the Premier has here in paragraph 4, which says, "Subject to the agreement of the Legislative Assembly, the revised PMFL will enter into force on the 1 July." But, Madam Speaker, it should be a process that in terms of this legislation it must be a case where Backbench and/or the Opposition Members can get up and make amendments and adjustments as they see fit. Why? Because they may see those adjustments are necessary to be able to help them in terms of serving the people that they were duly elected to serve. To deny them that ability, in my opinion, is completely, utterly undemocratic. So, it completely works first and foremost in eroding what we consider to be that democracy.

Then on top of that, to make matters worse . . . and to some Members of this House this may be an acceptable process that they seem to have very little issue with. They also tell you, *Yeah, and if you go down there and if that doesn't happen. . .* you've heard the Leader of the Opposition say that he has never seen such harsh diplomatic language because they also accept that if jolly old London does not get what they want here, well no problem, we'll just do it by Order in Council. We'll just put an Order in Council and tell you what you have to do. And that may be acceptable to some, Madam Speaker, but that is not

<sup>1</sup> Private Member's Motion No. 3/2010/11, passed 15 September 2010

acceptable to me, because I believe that the people of these Islands are entitled to the same fairness, equity and democracy that they are entitled to in London.

We should be able to discuss legislation, amend it in terms of what we feel is best for the people of this country. So, have that reflected in the *Hansard* if those in the Foreign and Commonwealth Office wish to understand at least where I stand. But I am sure they are listening, Madam Speaker.

Madam Speaker, even in terms of what we are doing here, despite the fact that you didn't hear a big furore about it from the Members of the Opposition and there were no mock governments, no mock assembly today, in my opinion, Madam Speaker, is undemocratic. And I have stated this to my Government. Nobody has to be surprised about my views. But I seek to show the people of this country how their representatives who come to them and say they are working on their behalf, like the Leader of the Opposition, like the Member for North Side, that they are working on their behalf, can rally about process—*don't make Ellio do that, don't make the United Democratic Party do that, bad process*—but when England wants it, it is fine, there is no care about process and democracy.

But you see, that is because you are simply afraid that this Government is able to deliver a plate of food to someone who desperately needs it; afraid that this Government is actually able to help someone pay off a mortgage that desperately needs it, help to fund a business for someone who desperately needs it. And goodness gracious, all for political expediency because all you worry about is power and you cannot allow that to happen. They cannot allow that to happen. What a very sad day, Madam Speaker, in the history of this country when you are not having every single Member on that Opposition Bench speaking about the undemocratic process and speaking that this particular piece of framework legislation is not good for this country.

So, the Premier read through all of the provisions. Let me just touch on some of them that the Opposition, thus far, would have ignored. There are still two Members who have not spoken, and if there are any two that I have confidence in, Madam Speaker, it is the two of them. And that is not today, Madam Speaker, I have stated that on numerous occasions, that if there is confidence in any two on the other side of the aisle, Madam Speaker, it is the two who have not . . . well, two of the three who have not spoken so far. That is why I said two of the three.

Madam Speaker, when we look at this let's talk about some of the things that are in this Framework Agreement. Let's show the people of this country who are listening and did not get to hear it from their loyal Opposition. Now I understand why they call it Her Majesty's Loyal Opposition. But, Madam Speaker, they did not hear it from their Opposition, so let me tell them.

Imagine, Madam Speaker, the Framework for Fiscal Responsibility is saying that the Government is to consider all of the bills of the statutory authorities; add them all up and put them in as your bills, put them in as your debts. Those are bills that you have to pay. If they have it, you have it. They are your obligations, put them all in. But yet, when it comes to borrowing, you are not supposed to include their revenue. So, you can take the bad from them but you cannot take any of the good. What does that mean, Madam Speaker?

There is an individual right now, a family; a mother, father, three children. The father goes downtown because he wants to do something, or the mother goes downtown because they want to get a mortgage to build a home for his or for her family. And when they go to the bank the bank says to them that there is a debt service ratio. In other words, that debt service ratio is 40 per cent. In other words, that means that they are not going to lend the money if this bill is going to amount to more than 40 per cent of their salary. They are not going to lend you the money because they look for a debt service ratio of 40 per cent.

So, it says to Mr. So-and-So or Mrs. So-and-So, *We have looked at your salary and it is below the 40 per cent so you could qualify. But we want you to do something else; we want you to add in all the bills of your spouse and your children. They must have other bills too. Add all of those things in.* Because when you do that, Madam Speaker, all of a sudden the person who qualified for a mortgage can no longer qualify, because everyone's bills were added into it. So, now when they pay all of those bills . . . it is above the 40 per cent. So, you have found a clever and strategic way to prevent this family from getting a house.

So, would it not be a fair request then for the mother and father to say hold on, or mother and/or father to say, *Hold on, if I am to include my spouse's bills and my children's bills, can I include their revenue? Surely, I should be able to say, well if I have to bring my husband's bills into it, I should be able to bring into it what he makes. And if you want me to bring my children's college bills and all of their other bills into it, I should be able to bring in whatever they make.* But then the bank goes, *Oh no, no, you can't do that. You can only bring in their debt but you can't bring in revenue from their salaries.*

Madam Speaker, anyone listening to that in this country or around the world would have to say, *I think this bank does not want me to be able to borrow any money. They have found a nice clever way to stack the cards against me and to deny me the opportunity to provide a home for my family.* And, Madam Speaker, they would have my full support; that is precisely what the bank is trying to do.

So, when the Foreign and Commonwealth Office comes to us in this piece of legislation that the Opposition does not tell you about, and says to include all of the debt of all of the statutory authorities

and government companies, include all the debt but do not take in their revenue, it is a clear sign, Madam Speaker, that the Foreign and Commonwealth Office does not want you to be able to borrow any money. It does not want you to be able to spend any money.

Ask yourself for a second, Madam Speaker, if the Government's hands were tied behind its back so it could not reach in its own pockets to spend money that it has made, it cannot borrow any money but yet its people on the outside need the money, then how is it going to get the money? Well, I will tell you what? You tie my hands behind my back, I can't reach in my own pocket, I can't borrow it, then I have to get a friend and ask for help until I can get my hands untied. But England has found a way for that too. So, they say, *We have a nice couple of processes that we want you to follow: If you engage in any public/private partnerships or private finance initiatives, we want you go to through all of these processes.* And the processes are so constricted that there is no possible way the blood can flow through those arteries to the organs that desperately need it.

Madam Speaker, when looking at that, what is it that they are doing? And just for clarity, what we term as public/private partnership (or PPPs), or PFIs (Private Finance Initiatives), is a nice way of saying I've found a friend to do it for me. When you deny that, Madam Speaker . . . Again, they've cut that route off too, because fundamentally what they are doing is trying to make sure with a million fine ropes like the tied up Gulliver in the land of the Lilliput, they are trying to make sure that this Government, whichever government, today and/or in the future, is restricted from providing for the organs that desperately need it.

Madam Speaker, when you say restrict the amount of borrowings, restrict the amount of money they can spend, and in addition to that, don't let their friends help them, then there is perhaps two other routes. You can hope that the private sector just grows so tremendously that your fees will increase, or you can get up to what I believe is definitely one of the things they want and that is income tax. You can get to some form of taxation, you see, because that it is a measure that it always available to the Government. They have not shut that route off.

We didn't hear them say, *Oh, by the way, no form of direct taxation.* Madam Speaker, they will not shut that route off because jolly old England has to play the game right. They can't tell you to go through that door. They only shut all of the other doors and tell you to please leave. Well, if they shut all of the other doors, Madam Speaker, there is no other option but to enter or leave through that door. So, they have locked every route that can be taken except for the ones that they want. That is why they are not going to put in this Framework . . . you make me put in this Framework, make me amend it.

The Premier is talking about amending so that they will have to cover the expenses, which I agree

with. But I can give you a better one. Let me put into this Framework Agreement that the Cayman Islands cannot engage in any form of direct taxation. They will strike it out. Of course, they are going to strike it out because that is a route and an option that they want. So, there are two options that they have not closed, that those Members cannot see because they are too blinded by the trees to see the forest. Two options they haven't closed is the Government's ability to engage in direct taxation and for the private sector to grow out of the whazoo.

Let me address the private sector growing, Madam Speaker. Note that Minister Bellingham came to this country, and in discussion about projects one of the things he said was that he wanted to see European companies come here. I will say it again. He said that he wanted to see European companies come here and develop in the Cayman Islands. Oh, so, again, he didn't mention any other nationality or any other countries, companies, he said, *I want to see European companies come here and develop in the Cayman Islands.* Now, Madam Speaker, is it clear coincidence or do we have Members who are bright enough to see that the two options that the United Kingdom has not closed are exactly the two options that they want?

They want us to be able to engage in direct taxation and they want to be able to allow the European companies to come here and to develop the private sector, and those are the only two ways that the Government can grow.

Madam Speaker, let me draw something else to the blind Bartimeuses on the other side. Go on the Internet, Madam Speaker, it is all available to us. Search out "Treaty of Rome," "[Maastricht Treaty \[1992\]](#)" held in Netherlands. Check it out. What does it say? Madam Speaker, for many years now . . . we can read it, and I am going to paraphrase. The European Union says to all of its nation states (and one of those nation states is the United Kingdom) I want you . . . Don't take my word, Madam Speaker, search it on the Internet. It says to them (mind you it is a hefty document, so you have to print a lot). But it says to this nation state (so, in other words, it says to the United Kingdom), *I want you to make sure that all of your territories can travel freely to Europe and that all of Europe can travel freely to the Cayman Islands to its territories.* That's what it says.

It also says, Madam Speaker, in black and white, it must allow for European companies to be able to grow and develop in those countries and not even be subject to expropriation. Can't shut it down no matter what; it must allow those European companies to develop in their territory. It is in black and white on the Internet, Maastricht Treaty; Treaty of Rome. Have a look.

So, we should able to see, Madam Speaker, the United Kingdom is fulfilling its obligations that it has to the European Union. But there is a challenge.

What would happen if you had European companies that came here to the Cayman Islands? Other than growth for the Cayman Islands, there is a problem. The Cayman Islands would experience a growth in the private sector from European companies moving here. But there is a challenge, because while we are growing, Europe, the United Kingdom is losing. Why? Because of our tax structure, because we do not have that form of direct taxation those companies could arguably say that they are now in a tax free jurisdiction so they do not have to pay taxes. So, Madam Speaker, you see, two of those, two good pedals to the wheel, they need both. Our tax structure must change and we must allow those European companies to move here. And those, Madam Speaker, are not my words. It is in black and white, Maastricht Treaty and Treaty of Rome.

Caymanians would have been just a few years ago enlightened to realise that we can all now receive European Union passports. Madam Speaker, has anyone ever given you anything for free? No one gives you anything for free. We all know that. That is good economics. There is no such thing as a free lunch. So, every Caymanian citizen who woke up one day was entitled to a European passport. And we can continue on and play the fiddle and pretend that never one day will it be reciprocal, but it will be, Madam Speaker, Reciprocity will soon arrive. We have already seen some extension of legislation that affects us, bribery laws, et cetera, Madam Speaker. It is not going to change.

So, Madam Speaker, the United Kingdom right now is working daily to fulfill its obligations. When the previous administration engaged in this wanton disregard for the funds and the management of the funds of the people of this country they finally handed us to the United Kingdom who could say, *Finally, I have a legitimate reason now to step in.* Because remember it is the big mother country, it is the big guy on the block, so it can't have its hands around your throat in public you know. It always must have a reason internationally to justify why it is doing what it is doing. So, now, Madam Speaker, that reason was given to them by the PPM Government.

Let's talk about this China Harbour thing, Madam Speaker. They talk about that at length, these Members of the Opposition chatted about it. And again many persons would be led to believe that China Harbour, or doing business with the Chinese, is the ultimate end of the road. Madam Speaker, not that we should need it, but let's get some validation.

The other night there was a meeting where the ex-president of the United States, Mr. George Bush, was engaged in a dialogue to a very large audience, Madam Speaker, in the hundreds. And one of the things he said (if I may paraphrase) is that there is no problem with doing business with China. It is a good thing, is what he said, to do business with China. So, Madam Speaker, if the ex-president of the United

States is saying it is good to do business with China, where would some of us get that to do business with China is a bad thing?

Also, Madam Speaker, I have a document here that I printed off and it is entitled "[The UK in China.](#)" And you can go on the Internet and get this one as well. It is under the Foreign and Commonwealth Office website.

**The Speaker:** Wait a minute; you have to give me a copy of it.

**Mr. Elbio A. Solomon:** No problem, Madam Speaker, I will give you this one.

And, Madam Speaker, in it there is a forward from the previous Prime Minister, Mr. Gordon Brown, and, as I have stated numerous times publicly and in this House, that is the same prime minister who talked about he was going to destroy the financial services industry in the Cayman Islands. So, in this document, Madam Speaker, which I do want to read one or two things from, but I can paraphrase it to tell you that what the [previous] prime minister and the persons who drafted it are saying, is that the United Kingdom is avidly looking at ways to do business with China.

It is working and strengthening the relationship with China. It clearly states in this document. It wants to be the financial hub for China. In other words, technically, if China is going to do business with Europe or the world it wants to be the one to manage its money. It says it in this document.

And while we are sitting here and the UK is encouraging it, people like the Member for North Side who communicates on a regular basis with the Foreign and Commonwealth Office . . . while they are there trying to tell us about not doing business with China, it is avidly writing policies and figuring out ways to do business with China. They are now having billions of dollars invested into their country as a result of China.

Heathrow Airport, another one here; "[UK Government can't afford to say no to China's North Sea oil deals,](#)" \$15.1 billion in business with China. "[China in talks about UK nuclear power plants,](#)" \$17 billion, Madam Speaker. But the Cayman Islands should not engage with China and have a \$300 million port? Absolutely not!

You see, Madam Speaker, again, how does the mother country control its territories? It controls the territories because it must subjugate them. Let's put it this way. What gentleman is going to have someone else buying his spouse gifts, taking her out for lunch and buying her a car? You can't have it! So, Madam Speaker, what we see is the Cayman Islands must be denied, supposedly on the argument about process, the ability for \$17 billion in investment, \$15.1 billion in investment, and as they formulate every policy that they can to figure out how they are going to (as we say politically) get in bed with China, the Cayman



Islands must be denied the opportunity to engage in financial dealings with China under the pretense, Madam Speaker, of the process.

Madam Speaker, to the same good people of this country, when we talk about process, this is something else that you would get from the Opposition Members. You would get from the Opposition Members that all that matters is process. But we know that that is false because we have talked earlier about how convenient they are when it comes to the issue of process. But, Madam Speaker, let's take it down; we are all citizens of this country, let's take it down to a good commonsense level.

The people of this country vote me in or one person votes me in or hires me, and says, *I want you to help me to build a house*. So, I go through a process and put the plans out there to get some bids to build a house. And all of the bids come in somewhere between \$240,000 and \$250,000. So we have that process. But then while we are sitting there and we accept perhaps, arguably, what we think is the right bid, somebody even then comes along and says, I can build that same house for \$200,000, \$190,000. Madam Speaker, I am challenging myself in a very commonsense way to find the answer as to what member of the general public is going to say to me, *We know we can get the same quality house for \$190,000; same specs, same quality but do not accept it. Don't accept it because they were not there when we first made our announcement*.

Madam Speaker, you see I do not believe it is that simple. It has to be a case . . . and that is why even in the PMFL there are some overriding factors where again even the Premier, to some degree (whoever that may be), has to have some overriding position in this country, in my opinion (Madam Speaker, mark it down, in my opinion) where it can take a step outside and say, *If we see something that is in the best interest of this country, we can pursue it*.

I believe in process, I believe in all of those things, Madam Speaker. I believe that most importantly we need to be transparent and we need to make sure that every single thing that we are doing is done for the benefit of the people of this country. No one individual, but for the benefit of the people of this country.

But I know, just like an individual right now is not going to want me to reject a bid for \$190,000 if I can assure the same quality of work and accept a \$250,000 bid simply because supposedly I did not see it at the first go round, I don't think that is acceptable in that scenario, Madam Speaker, and I do not believe it acceptable in just about any other one. That is why I continue to say to the elected Members in this House, whether on the Government Bench or otherwise, we should not be afraid to find some way to ensure that not every decision in this country has to be made by the Governor. Not every decision in this country has to be made by the UK. For goodness sake, have a little

confidence in ourselves that we can actually say that the people who were elected by Caymanians can actually make a decision as well.

Madam Speaker, the China Harbour deal. We need a port for this country and the Opposition can knock it as long as they want. They can allow the overriding fact that they simply want to get elected into office to allow them to forget the people whom they serve, but we need a port. And the China Harbour, in terms of just speaking generally about doing business with China . . . as I said before, ex-president George Bush (if we need the validation) says there's no problem; it's a good thing doing business with China. The United Kingdom is avidly pursuing business with China, every day getting billions and billions in dollars in investment, but yet, I do not see them having any desire to aid the Cayman Islands in doing the same. And, Madam Speaker, it is my humble submission that it is a position of keeping this country dependent.

There was a time when we were called "Dependent Territories." They scratched that name off and replaced it with "Overseas Territories." Madam Speaker, that is form. But I wish to say that they may have removed the word "dependency" and replaced it with "overseas" but we are getting more in a position, especially, with things like the FFR. We are getting more in a substance of dependency than we have ever been, perhaps in the history of this country. So, they can give you any name they want, Madam Speaker, it is what you have in substance that makes the difference.

So, we see in addition to this FFR, not only do they say to include all of the financial debts of the statutory authorities but do not take their revenues. They also tell us not to get any friends to help and not to get into any public/private partnerships, and do not get any private finance initiatives. They also then said, *By the way, you cannot engage in any projects that exceed \$10 million in the lifetime of the project*.

Now, Madam Speaker, let me just cut it short. If they had said that we could not engage in any project in excess of \$10 million without doing x, y, z, it would not have been so bad. In fact, they wanted to make it \$5 million. There was a back and forth and they were so generous (the UK to us) that they allowed it to go to \$10 million.

Let's look at \$10 million, Madam Speaker. Ten million is the approximate cost of the Prospect Primary School—\$10 million. And I would mention that that was done during the previous United Democratic Party Administration—\$10 million approximately for the Prospect Primary School. Understand that now, if we do get the FFR, that we could not even build that project, Madam Speaker, because that was a \$10 million onetime cost. Lifetime cost means adding in maintenance and all the repairs . . . the full extent of it. So, if we put the lifetime of that project at 50 years, then over the next 50 years if that project cost

more than \$10 million the United Kingdom would be saying we need to do X, Y, and Z.

Madam Speaker, are we unable to see how they are finding every way to restrict and tie the hands of this Government and any government in the future? This is not about PPM and UDP, or about independent candidates; this is about the country! We are sitting here and allowing our country to rob us of our financial independence. It says to us that if we want to engage in a project over \$10 million in its lifetime, we must go external to the Government and get independent legal advice, independent accounting advice and a long list of things. I hope that I have built up enough without having to read this paperwork on this microphone; that we have enough to say . . . they are making it very restrictive.

Let's ask ourselves: What if the UK were to tell us that they don't want you to trust the accountants that we have in government? *Have no confidence in them! I don't care if your monies went and spent good money on scholarships for Caymanians to go overseas and learn accounting, I don't trust them! I do not trust their advice! Go and get independent advice. I don't trust the Attorney General! Whoever he or she may be! Go and get independent legal advice.*

What is it that we are saying? How is it that we can come to the House and debate an FFR and you don't even have a Member of the Opposition to talk about that? It also tells us not to engage in a project unless the project can finance itself. So, Madam Speaker, technically we can't even build a school! And yet the ex-minister for Education has no qualms with that. We could not even build a school. Why? Because in this country Education is arguably for free. So, unless we can charge all the students thousands of dollars and they can finance the cost of that project and the ongoing cost of that project, we can't even build a school. And yet none of those Members thus far in the value of despair has recognised that and found it worthy to stand and rise to their feet and say that they cannot tolerate to have this country robbed of its financial independence. None!

But as I have said, Madam Speaker, I still remain and retain that I have confidence in two; that they will stand with me and will be able to see that this is tying the hands, not of the United Democratic Party Government, but any government which comes into this country seeking to serve its people.

Where is the sunset clause? Here is another nice term. Once a gentleman (who happened to have been from jolly old England when I worked at Computer Services) came and said that we needed to cut out overtime. The overtime bills were too high. And, Madam Speaker, I am a reasonable person. I was the one in charge at that point in time and I said it was not a problem. If things are tight we needed to cut overtime. But I said to let's put a date on that. We will be cutting out overtime for what? Six months? A year? Two years? How long? Madam Speaker, there is no

project that does not have a timeline to it. If it does not have a timeline it is not a project. That is one of those 'tomorrow arguments'.

So, Madam Speaker, I said to him . . . and I want you to understand that I was looking after a staff of 27. I was concerned about a staff of 27. I wanted to be able to go to them and say, *Today, I have agreed that we cannot get any more overtime because financial constraints dictate so.* But I felt enough compassion for the 27 persons who were under me, to make sure that I could go to them [and say that] it would only be for six months or for a year or two. Should not then the Members of the Opposition have enough compassion to ask themselves, all of these constrictions that are being used to tie up poor Gulliver in the land of Lilliput, when are the ropes cut? When are my people going to be set free?

Madam Speaker, if we can have that obligation to 27 we should surely have it for the people of this country whom we serve. There is no sunset clause in this. So, we need to note what England says and what it does not say. It did not say that this would exist until the revenues reached a certain point.

Let me paint another scenario. Let us say miraculously that the Government gets to a point where it is no longer making \$535 million in revenue but it is \$1.5 billion in revenues, should the same rules exist? Are we indeed the same player? What happens if tomorrow there is longer \$90 million in revenue but there is \$2 billion; almost to the situation like how it was in Jersey. Should these same rules exist? No one in the Opposition thought it was necessary to talk about it.

Madam Speaker, it cannot exist. If we were even going to agree to it, Madam Speaker, there has to be some sort of sunset clause. Has to be, Madam Speaker! No! Madam Speaker, there is no sunset clause because England, which we can arguably say, has been in the position where it ruled the world for 500 years . . . I do not take anything that they do lightly.

A man is deemed, we say, to have intended all of the consequences of his actions. And anyone in here who has learned in the law is supposed to know that. A man is deemed to have intended all of the consequences of his actions. And if it is not in here then it is because England did not want it here. They do not intend to have any sunset clause. There is no point in time that they want this to go away. These restrictions, constrictions must stay, Madam Speaker, because they must maintain financial control of the Cayman Islands.

The Cayman Islands must become like a little territory that is a direct dictate of the European Union, that when we want something done it happens not when these politicians down here who are trying to serve Caymanians want it, it is when we want it, it must happen immediately. That is why it must happen. That is why it is the way it is, because as I have

said before, Madam Speaker, there is only one true form of independence and that is financial independence.

If it is not obvious, Madam Speaker, I'm not voting for this. I have made a commitment to the people of this country. I am not going to support anything that infringes in any way at all on the financial independence of this country. None whatsoever! Because this is not about PPM, it is not about party and it is not about independent Members; it is about the people of this country, Madam Speaker. And I am not going to deny this Government or any government in the future the ability to serve their own people and have to work and exercise by the dictates of the Foreign and Commonwealth Office. It will not pass with my vote. None whatsoever! So, those are some of the restrictions, Madam Speaker.

There is another one in here. Here is another broad one. What projects can we engage in? Here is a line which says, Madam Speaker—again I will paraphrase so that I don't have to kill people with the aridity of the reading of an agreement or the law. [It says] *Do not engage in those projects if the Secretary of State has received representation.* That could be one of the Members for North Side or otherwise calling the FCO. It does not matter. Representation was received and therefore unless the Secretary of State gives approval to engage in a project, you cannot engage.

Madam Speaker, who in their right conscience elected to serve the Caymanian people, is going to vote for that? Not me! I know the rules arguably somewhat hog tie Cabinet, Madam Speaker, but I will tell you what: my tongue has not been nailed to my mouth top and there are no chains holding me down. This Backbench Member is going to stand here as long as I inherit this piece of real estate, and work for one thing and one thing only, and that is for the benefit of the people of these Islands. So, when it is going to be made that the Secretary of State is going to be having coffee somewhere with crackers and deciding if we can do a project . . . got to be out of your mind.

*[Inaudible interjection]*

**Mr. Ellio A. Solomon:** Eh? Got to be out of your mind!

Meanwhile, we cannot get a project off the [ground] and Mr. Cameron and those can be running around the place and getting \$15.1 [billion] in North Sea oil and \$17 billion in power plants and my people are starving to death? No, no.

Madam Speaker, there are Members in this House who were part of the process of voting in the Public Management and Finance Law, who lament and say that they regret. Madam Speaker, I daresay, if they think that the Public Management and Finance Law of this country has been restrictive and that nobody really gave it a lot of thought and that they made errors . . . the writing is on the wall with this one, Mad-

am Speaker. Blind Bartimeaus can see that this cannot be supported. We cannot, in good conscience representing the people of this country, support it. No, Madam Speaker, no.

Again, I wish to invoke with the greatest of respect, that this is something that our forefathers talked about for years. I have said that even Sir Vassel Johnson, in his book, page 208, bottom left-hand corner, from 1970 Mr. Derek Matthews was there talking about engaging in a different form of economy.

Go on the Internet and read—just the other day, ten European countries talking about introducing a financial transaction tax. Madam Speaker, you know what? They recognise, like I spoke to earlier on with that story where someone takes me aside and says that I have potential and to get myself organised. Madam Speaker, if I have made it here today or anywhere and accomplished anything in life, it is for all of those people who came along and believed in me and gave me the truth and some encouragement. And that is the same thing I am here to do to every Member of this House and to the people of this country—give the truth, the whole truth and nothing but the truth!

No matter how much it hurts us, Madam Speaker, recognise that in this particular case I am willing to sit at any negotiating table with the United Kingdom. But if it is not good for the people of these Islands it will never ever get my support! None whatsoever, Madam Speaker!

We have the potential and they recognise the potential of this child we call the Cayman Islands. They know that if this country is able to retain the present financial model that we have with no form of direct taxation—as they continue to tax and to tax and to tax their people and implement the financial transaction taxes of the world, Madam Speaker—the Cayman Islands in a positive way becomes a black hole for this economy. The companies and the money move here in this little country we call the Cayman Islands. This is where the money is coming and they have to cut that off!

We have to be wise enough, Madam Speaker, to see the potential that we have. We are not being punished for doing anything wrong. We are being punished as a country and a people for having done something right, Madam Speaker. And it is for us as representatives who have been voted by the people of this country, who today do not have a voice but for through us . . . They do not have a voice. We have to represent them by being strong enough, man enough and women enough to do what is right on their behalf, Madam Speaker. And that is why I can stand here and I call on the Opposition today to please put politics aside!

Put worrying about election and who will win in 2013 aside and put the people of this country first. Vote no for this particular piece of legislation. Let us send a clear message to the United Kingdom that we



are not going to support this FFR. And, Madam Speaker, I make a call further after that—I say we stand as an Assembly on behalf of the people of this country, reject the FFR and say we will not allow this economy, our financial independence to be robbed with restrictions and constrictions. Say that we refuse to and then take this FFR put it by referendum to the people of this country. Let us engage in dialogue, Madam Speaker, with the general public and have them go to the polls and vote no for FFR.

You see, Madam Speaker, I know England does not want that. No. Because as long as we toy with it in here they can put an Order in Council so the people do not even know what is happening. They have no idea what is happening, Madam Speaker. They are busy out there working their lives. They trusted us in 2009 to put us in—Government and Opposition alike. So, they are not paying as much attention perhaps as they could or should. But they rested their confidence in us, Madam Speaker. So, what we have to do, Madam Speaker, is to give and work and act on that confidence that those people gave us in 2009. Act on their behalf. So, I say, Madam Speaker, we vote no against this FFR and put it out to referendum.

You see, the United Kingdom is not going to want to have to step in and say, *Oh no, no, no, no, no, I don't want to hear what the people of the Cayman Islands have to say. That does not look good.* That would expose them in a very negative way in the international arena, Madam Speaker. They don't want that. So, when in this particular case there is that financial or political opponent, that is how it goes; if he wants to go narrow you go wide, if he wants to go high you go low. They don't want a referendum. Give them referendum!

Madam Speaker, why do you think the United Kingdom wrote a letter to the Premier through Mr. Simmonds and immediately released it to the press? By extension to the people of this country, [he] wants public support. He wants public support and if the people of this country have not been given an opportunity to be properly informed, then he may get that public support. But not if we come as Representatives, and hopefully all 15 of us, and go to the people of this country and show the restrictiveness, the constrictions laid on us in terms of this legislation, and ask them to vote against it, they are not going to do it, Madam Speaker.

What a wonderful day that would be, not to even see 9 Members, Madam Speaker, or 6 or 5 get on a platform tomorrow, but 15 of us. Fifteen of us standing on a platform and informing the people of this country. United for a common cause showing them that we are above party, we are above political expediency. Come together, 15 Members on a platform and ask the people who voted for us to vote no against the FFR and send a clear message to the United Kingdom.

I believe that is what this country is desperately crying for more than anything else. It is tired of the back and forth, it is tired of the bashing. It's useless and it goes nowhere. They are looking for representation. And we have had three Members from the Opposition that have not spoken. I am but one voice in here but I have confidence in them. I think there are some different heads there.

I am going to conclude, Madam Speaker, by saying, "The truth," as the Book of John says, "The truth will set you free." There is a liberating factor, Madam Speaker, no matter how hard it is when you have to face the truth. When the person who knows information tells the truth his soul is liberated. He has nothing any longer to worry about. And when the person who receives the truth accepts that truth, he or she is also liberated because they have accepted the truth and can now act on that truth. And when you, as a mediator sit there and allow the truth to take place, then you also feel free because you have done nothing to hinder that truth.

Madam Speaker, we have an obligation to go to this country and deliver nothing but the truth to them. And anyone reading this legislation should understand that a man is deemed to have intended all the consequences of his actions. And the actions laid out in this particular FFR will do nothing more than if the Government was Gulliver. It would tie him up in the land of Lilliput. You would not be able to produce the products and services that the people of this country desperately needs.

So, I am calling on everyone in this House. I stated it before we got here and now I am stating it again, Madam Speaker. This is not about PPM; this is not about UDP; this is not about independent candidates. This is about our financial autonomy; our financial independence. And there is no true form of independence except financial independence. Let them take whatever they want to take from us but do not make them rob us of our ability regardless of what government sits here today or in the future, from being able to say that we will decide, the collective voice of the people of this country, where and how our funds are going to be spent.

Let us vote no and immediately after, Madam Speaker, I implore and beg the Members of the Opposition to vote no, do not abstain. Vote no for the FFR and we go and call a referendum. I believe we owe that to the people of this country.

With that, Madam Speaker, I thank Members of this honourable House, I thank the people of this country for having given me a chance to be able to stand here in this hallowed Hall on their behalf to convey my sentiments and my position with respect to this FFR. And with that, Madam Speaker, I close and say God bless the Cayman Islands and God bless the people of these Islands.

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

We will pause now for the lunch break. We do have a meeting scheduled for 1.30 in the large committee room with all Members. So we will resume at 2.45.

**Proceedings suspended at 11.06 am**

**Proceedings resumed at 3.15 pm**

**The Speaker:** Proceedings are resumed.

## SECOND READING

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

*[Continuation of debate thereon]*

**The Speaker:** When we took the break for lunch, the Fourth Elected Member for George Town had just completed his contribution to the debate on the Public Management and Finance (Amendment) Bill, 2012.

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 Honourable Premier to wind up the debate.

Do you wish to contribute to the debate? I do not want anyone to be left out; this is a very important debate. Anyone who wants to speak should be allowed to on this issue.

**Hon. Cline A. Glidden, Jr., Third Elected Member for West Bay:** Madam Speaker, with your permission, just short contribution if possible.

**The Speaker:** Yes, you may proceed.

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

Thank you for this opportunity to make a few remarks and comments on this very, very important issue and Bill, the Public Management and Finance (Amendment) Bill, 2012, that is being implemented because of the Framework for Fiscal Responsibility. We have heard all of the reasons given as to why it was necessary for the Framework for Fiscal Responsibility, and we have heard from the Opposition side and the side of the Independent Members, and we have heard the normal politics, as expected, and the blame being given as to why this has become necessary.

Madam Speaker, we know that this has been going on for a while. And while there has been blame given as to the current Government's role in creating the need for this legislation, specifically one of the

reasons given was about procurement, when we look at the actual Framework for Fiscal Responsibility it says that the goals are, "**Creating a vibrant and sustainable economy; Enhancing tourism and financial services as the twin pillars of the economy; and Creating opportunities for Caymanians.**"

"**Restoring prudent fiscal management central to achieving these objectives and will help create an environment in which people and businesses can plan for the future with confidence. Restoring prudent fiscal management is central to achieving these objectives, and will help create an environment in which people and businesses can plan for the future with confidence. The Cayman Islands Government's fiscal strategy consists of the following five components:**

- **Controlling Government expenditure;**
- **Limiting new borrowings;**
- **Re-aligning the revenue base;**
- **Improving the performance of Statutory Authorities and Government Companies; and**
- **Reducing costs by working in partnership with the private sector."**

So, Madam Speaker, we see that there are some lofty goals and we should be supportive and desirous of achieving all of the expected outcomes. So it is with great difficulty that I, in listening to the contributions and looking from a historical perspective, having been faced with the challenge of deciding as to whether I am going to be willing to support the particular changes as proposed due to requirements of the FFR, like I said, Madam Speaker, the reason for that is because in general additional prudence, good management and fiscal prudence are necessary. And I think if we look at it from a reasonable standpoint we could say that the United Kingdom Government is reasonable in expecting or assisting us in ensuring that that is the case.

We know that under the previous administration it is important when we put it into context as to . . . the complaints that were given were that one of the challenges or one of the concerns that the UK would have is about procurement. And, I heard examples being made of the port that the Government was involved in and other processes. But we know that this was planned long before those projects were discussed even in the Cayman Islands. The UK has recognised the need. And our information says that the reason why the UK was concerned about that was the high levels of borrowing that was undertaken and the huge levels of debt that were created by the previous administration. And they wanted to ensure that we were able to stop that from occurring again. And we understand that, Madam Speaker, because if we end up getting another government that doesn't exercise fiscal responsibility and, as the People's Progressive Movement did, embark on what they referred to as the

largest capital expenditure programme in the history of the Cayman Islands, increasing the debt significantly from \$100-something million to \$400-something million, we can understand why that would bring concern to the United Kingdom Government and why they would want to implement this sort of legislation and control to allow them the ability to curtail that level of spending and debt creation.

Madam Speaker, we have to balance that with the need of being able to control to some extent our own affairs, and the need for restricting as much as possible the United Kingdom's ability to micromanage even at a time when the country is living within its means and doing well. And that is my main issue as to whether that balance has been achieved. And while, on one hand the United Kingdom can justify putting controls in place when the Cayman Islands has gone outside of the existing and agreed upon ratios, the real problem that I have is that what now appears to be the case is that the United Kingdom Government is saying that even if we are within those ratios, they are going to make those ratios harder for us to be able to reach. Then it's going to still, even after we've made those ratios . . . they still want to exercise control and exercise a requirement for us to continue reporting and getting permission.

Now, Madam Speaker, I know that the Premier has made his position very clear, and the Opposition seems to saying that because the Government has signed the Framework for Fiscal Responsibility agreement, that in some way removes their responsibility to do what is right in terms of the country. I dare say, Madam Speaker, I don't think it does.

I think the Premier has made his point. He has explained how we reached this place in this space and time. He has put forward his position as to his support for his concerns for the country. I don't think (and this is just my opinion, Madam Speaker) that the Opposition should believe that simply because the legislation has now come that the current populous or future generations will look back at them and say, *Yep, you had a chance. You had an opportunity to contribute, to pass or not pass this legislation.* And their excuse is going to be, *Yeah, but the Premier of the day signed it.* So, Madam Speaker, when it comes time for the vote hopefully they will use their conscience and do what they need to do not depending on that as an excuse. Hopefully they will put the politics aside and say, *I am voting for this because I have decided that this is in the best interest for the long term future of the Cayman Islands;* or, they will say it is not in the long term future, and they have decided not to exercise a vote for.

Madam Speaker, I know that may be a bit naive to hope for, but I am still hopeful that all the Members of the Legislative Assembly, all of my colleagues in here, still genuinely care for and desire what's best for the Cayman Islands. And, politics aside, after they get up and all the rhetoric goes back and forth, that

they still recognise the need for a clear conscience. And as good Representatives, as I know we all desire to be, that they will do the right thing.

Madam Speaker, I think it is important for us, because I am leaning towards not supporting the proposed amendments. So, Madam Speaker, it's important for us to understand, and for the listening public to understand, some of the challenges. As my colleague, the Fourth Elected Member for George Town, said in his contribution, we have heard all the politics and we have heard all the reasons as to why it is going to be done and why it's the right thing and why it's the savior, supposedly. The UK is the white knight coming in to save the Cayman Islands, and why would the Government not support.

Madam Speaker, the issue of reasonableness and the one that specifically refers to the debt service ratio . . . What is being proposed in the legislation is that we are going to commit to meeting the required debt service ratio by June 2016. Again, I think my colleague, the Fourth Elected Member for George Town, made the point that what is expected is that when we are looking at the debt service ratios now, we are proposing to include all the debt of the statutory authorities and government owned companies as well. So when we get into Cayman Airways, the Water Authority, and any of the authorities that have significant debt, those debts are all going to be included when we look at the debt service ratios.

And the UK is saying, *We're giving you until 2016 to be compliant. You can't have a debt service of any more than 10 per cent. And, oh, by the way, you have to get a debt service of 10 per cent taking into account all the debt of not only central government and the statutory authorities, but you can't include any of the revenue of the statutory authorities or the government owned companies. So you can accept the debt, but you won't get the revenue.*

Now, Madam Speaker, maybe it's just an attempt to encourage some creative accounting, or to all of a sudden change the value of having statutory authorities or government owned companies, including everything under core government now, so that revenue can be accounted for as well. But, obviously, that is not without its challenges to make a change from the existing system that is in place. And as the projection currently stands, we are now projected to be in 2016 at 9.9 per cent, so to be just compliant with the debt service ratio.

Again, if we just look at it superficially we would say, *This is great! This is good prudent fiscal management and we are going to be compliant with the ratios by 2016 as per the agreement.* The challenge of that, Madam Speaker, is that [in order] to reach that 9.9 per cent by 2016 it means that there would be absolutely no borrowing for the next four years. No borrowing from central government, no borrowing from any of its statutory authorities or government owned companies. While that sounds great, I

think we would all agree that that is not real practical. It is not practical to say that we are not going to borrow for any capital works. No new roads. We are not going to borrow to finish the schools that have been started. We are not going to do any borrowing for the expansion of our much needed sewage expansion. We are not going to get the port. We are not going to get the airport. For the next four years we are going to be able to manage the country in such a way that we are going to borrow nothing at all.

So, Madam Speaker, it is real difficult for me to say that I am a responsible legislator and I am going to stand here and make a commitment like that one, knowing full well that we are not going to be able to achieve that. And the only way that we would be able to achieve it is if in the four-year period one of two things happens: we decide that we are going to do nothing that requires any significant capital investment; or we decide that we are going to have to tax the citizens significantly more. We are going to have to withdraw all of the money that is required for all of those works from the populace that is already now screaming and having a hard time making ends meet.

Again, Madam Speaker, I don't plan on being here during that period. However, what I do know is that we will have a Government—whether it's UDP, whether it's PPM, whether it's independents, there will be a Government—that is given the responsibility to govern the country and to provide for the electorate. And to say that they are not going to be able to borrow any money for the next four years at all, to achieve the goals of the law that I am expected to put in place now, I am challenged to be able to vote to support that because I don't see that as being realistic at all without causing significant burden on the people I have been elected to represent.

So, Madam Speaker, unless we are saying that there is some other magic system, this legislation is saying that we are going to have to tax our people. And if we recognise that the current methods of taxation, the indirect methods that are used now, are not going to sustain the increased cost, or the increased revenue needs, it would indicate that we are going to have to move to a different level of taxation. And we all know the concerns associated with that.

Madam Speaker, having looked at what will happen if this legislation passes, I still have hope that a certain amount of reasonableness will exist and that we can go on to continue to have discussion with the UK to say that there has to be some provision . . . there is a concern, Madam Speaker, that there isn't a provision made for natural disasters. So we don't know, again, following the strict interpretation, we would say that even with natural disasters we won't be allowed to borrow because we won't be compliant with the law that we are now passing.

Madam Speaker, I am not sure who we blame for getting to this point. I know the Opposition will blame the Government and say that it's because of

procurement, even though we don't see procurement and even though they have tried to make procurement be a big part of the requirement. But what we do see is concern from the United Kingdom on lending and the ratios. We see that the borrowing that was incurred during the last administration would have broken those ratios that were existing and that there would be significant concern. But the point, Madam Speaker, is that it really doesn't matter what the UK's reason for that would be. It is going to be a matter of interpretation. What we do know is that the UK has now put forward this requirement and this stringent management.

It's not like they are saying: *We want to put this management in place until you are compliant, and then after that you are going to be okay.* They are [also] saying: *Forever and a day we want to have the ability to demand the reporting that is necessary and we are putting the ratios, we are making it harder for you to fulfill the ratios that are ever going to make you be compliant that you won't have to get our permission for spending money for getting a budget approved.* And, Madam Speaker, personally, I have not been able to satisfy myself that that is what the people who I have been privileged to represent expect me to support.

Madam Speaker, there was a discussion during the debate by the Opposition Member, actually a few of them, or the Independent Member and the Opposition Members, in regard to the story that was carried on the Ritz. Obviously, there was a lot of discussion on the port. I think my involvement with the port project is public knowledge. But I think it's important for me to explain also, in my responsibility as the Councillor for Tourism, my involvement with the ongoing discussions that the Premier has been accused of not fulfilling his responsibility in terms of the Ritz Carlton and the payments that were outstanding.

As a Councillor for Tourism I work closely with the Premier for the improvement/enhancement of tourism for the Cayman Islands and we are proud of the record from a tourism standpoint. And when we were approached by the current owners of the Ritz Carlton in regard to the potential foreclosure and change of ownership for the Ritz Carlton, the Premier and I went overseas to meet with the new owners. Now, the irony of that is that while the Premier is being blamed for too much travel and not spending time on his responsibilities, and namely the one that is now referred to as the situation of the Ritz Carlton, it required us both to travel to the new owners to have the discussions to ensure we were satisfied that the Cayman Islands were not going to be damaged, reputational or otherwise, with the transition that was proposed to take place with the foreclosure of what was a major and foremost hotel property for the Cayman Islands.

Now, Madam Speaker, not by chance that process was managed relatively quietly, and the

Cayman Islands have not suffered any significant damage with that transition. But no credit is given to the Premier or his team for achieving that. Now what we are hearing is, *Well you are traveling too much and you haven't been paying attention to your responsibilities and so for some reason you haven't responded and the reason for not responding is because you're not on island enough and you are spending too much time overseas.*

So, Madam Speaker, it is important for me to recognise and explain that when we found that out, even though it did require travel, we made two trips to the US to meet with the owners and we were also planning to meet with the Ritz Carlton management as well. Our concern was not for the legitimate ownership structure of the Ritz Carlton. Whoever legally owns the Ritz Carlton will be determined by the courts. Our concern was to ensure that the premier property in the Cayman Islands would not be shut down, it would not be in liquidation, we would not have the embarrassment of losing that property and that the Ritz Carlton themselves would not withdraw their brand or their management, again, which would be embarrassing for the Cayman Islands. And we have been able to achieve that by—even in the face of criticism—traveling and meeting and discussing and negotiating and giving our firm commitment to the new owners.

During one of those meetings there was a suggestion or a request made in terms of concessions. The new owners said that they understood. The Premier made it quite clear that there was an outstanding amount of money that was given for good faith at the time and it should have been repaid by the Ritz Carlton. Obviously, there were financial problems and there was an expectation that the new owners would fulfill that obligation. The new owners acknowledged the obligation to the Cayman Islands Government, but they also had some requests. So they had requests for . . . and, Madam Speaker, I am doing this off of recollection, off of memory, but I am sure the Honourable Premier will address the specifics if necessary in his winding up.

They had requests for a reduction in the stamp duty transfer fee. They had a request for a reduction of some 50 per cent for work permits. They had a request for a reduction in import duty. So, Madam Speaker, the irony of the story comes along and says that the Premier has lost the Government's chance to recover \$6 million that was owned by the Ritz Carlton. And it makes it appear that there was an unconditional offer, that all the Premier had to do was respond and he could go and pick up the \$6 million that was owed. When, Madam Speaker, the truth of the matter is that to get that \$6 million it would have required giving concessions of significantly more than \$6 million. So, the Premier is just reminding me that he wrote to them and told them no.

Madam Speaker, it is important for the public to understand that if you have an entity that owes you

\$6 million and they haven't paid, but then they are saying they will pay the \$6 million but they want concessions worth \$10 million or \$20 million, how could any reasonable person blame the Government, specifically the Premier, for not agreeing to that, and then turn around and say, *Oh, but you didn't collect your \$6 million, even though collecting that \$6 million would have cost the country more than the \$6 million?* I think that a reasonable person will understand that with the bills that were outstanding and owed by the company that we are referring to, it is unreasonable to expect that the entity would say, *Oh, I just happen to have \$6 million. We haven't paid in a long time, but we want to pay the \$6 million to you now, just come and get it, unless they were expecting to get more than \$6 million in value from the Government.*

Again, while we can have all these criticisms, and I heard that as one of the reasons why we needed the FFR, I think it is unreasonable, and I also think it's irresponsible for us not to understand that there is a bigger picture in play. For us not to understand, Madam Speaker, that regardless of the politics between us blaming the previous administration for racking up debt, the Opposition blaming the Government for the procurement methods that they have questioned and challenged, what we do have is a significant piece of legislation that will end up binding the Cayman Islands beyond the existence of all of us. And the question is: Can we genuinely say that's in the best interest of the Cayman Islands? Can we genuinely say that regardless of how well we may do, what kind of surpluses we may have, we still have an overarching responsibility for financial management to get permission from the UK and to provide these reports to the UK?

Madam Speaker, with those brief comments I guess I have convinced myself, whereas, before I was not certain as to whether . . . because, as you know, Madam Speaker, I sit on the side of the Government. I sit as a backbench Member of the Government. And there is only one other time that I can remember that I actually had to vote against the Government. It was for the Communications Technology (Amendment) that was going to allow a certain level of telephone/communication tapping, and as to where the authority had to come for that. And I had to vote against the Government at that point in time.

Unless I can be convinced by other contributors, after having heard how this legislation has now gotten to the Legislative Assembly, and after having heard that so far it appears that the majority of Members in the House that have spoken are only supporting it because they think in some way this shows that the Government is managing the country bad, I think I have made up my mind, Madam Speaker, and I hope the public that I represent will understand why I won't be able to support the legislation when the time comes for a vote. I hope that my colleagues, both on this side and on the opposite side, will consider the

arguments made for and against and that they will make the decision that they will be able to live with and be able to justify to this and future generations that may ask. And I personally do not think that the justification that will be accepted will be simply because it was signed by the then Premier, even if it's wrong, we still decided to support it.

Madam Speaker, there is an issue that we refer to as the nuclear option, which is Order in Council by the UK. And I have considered that, Madam Speaker. I can remember hearing earlier on that Members critical of the Government were trying to make it appear that not signing or bringing this legislation into law would in some way be likened to the need for the UK to do what they did in the Turks and Caicos [Islands], and that this was going to lead the way to a removal of our Constitution and direct rule by the United Kingdom.

Madam Speaker, that is not the impression or the expectation that I would have. I fully feel, and understand and appreciate, that the UK has another option. It doesn't have to go to the extent of direct rule. If there is legislation that they need enacted that the Cayman Islands Government refuses to enact, they have the power by Order in Council to enact legislation for us. So, when I heard the scare tactics being used to say if they don't do this the UK is going to come in and take over like Turks and Caicos, I gave no real credit to that. But, I also have given consideration as to what happens if they do an Order in Council.

Madam Speaker, the outcome of that consideration would simply be that if I chose not to vote for the legislation as it currently stands, because my conscience doesn't allow me to do that, and the UK does decide to bring it by Order in Council, then the end result is still the same. The end result is no worse and it's no better, except that my responsibility as a Representative of the people will have been fulfilled because I would have done what I felt was the responsible thing to do.

So, Madam Speaker, with those short comments, and a lot of that was using the opportunity to hash out the pros and cons to convince myself as to which decision to make. Even though I sit on the side of the Government and we know that the legislation is being brought by the Government, Madam Speaker, at this stage, until I hear the more supporting arguments, I can give notice of my vote of "no" for this particular piece of legislation, and I ask the Members of the Legislative Assembly, because of the significant importance, that consideration, significant, serious consideration be given, and that hopefully it will not be based on simply the day-to-day politics.

Thank you, Madam Speaker.

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

Does any other Member wish to speak?  
First Elected Member for Cayman Brac.

**Mr. Moses I. Kirkconnell, First Elected Member for Cayman Brac and Little Cayman:** Thank you, Madam Speaker. I rise to make a short contribution on the Public Management and Finance (Amendment) Bill, 2012.

I really wasn't going to speak on this because I think a lot has been said about it, but the Third Elected Member for West Bay, in his comments, made me think. I believe that he has passionately looked through and thought over the whole situation when he delivered his comments.

*[Inaudible interjection]*

**Mr. Moses I. Kirkconnell:** West Bay.

*[Inaudible interjection]*

**Mr. Moses I. Kirkconnell:** Oh. Sorry, Madam Speaker. Also the Fourth Elected Member for George Town had comments that made me think as well.

So I think that one of the things said was that we have to understand how you have set the platform of and used the information to make your decision. As I look at all the different information that has been given out in the last week here, I will not go down the road of anything political at all. I think for me and my thought process, it's a fairly simple pragmatic approach to where we are today. How we got here, I am sure can be debated for a long period of time. But we are here today and we have to make a decision, and I will be called upon to vote shortly.

So I have based my decision on the information. As I looked through the many different documents that have been provided, I re-read the letter from the Foreign and Commonwealth Office. With your permission I would like to . . . do you have a copy?

**The Speaker:** I did have a copy here, but I don't know if I have it in my papers today.

*[pause]*

**The Speaker:** You may proceed.

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

It's Transposing the Framework for Fiscal Responsibility and Cruise Ship Terminal Project. It is dated [2 November \[2012\]](#), and it is to the Honourable Premier. It is from Mark Simmonds, MP. It says:

**"As set out in my letter of 1 October I am keen to develop a positive working partnership for the benefit of the people of the Cayman Islands. I note that I have not received a reply to my letter and now understand that you plan to proceed to the Legislative Assembly on 5 November to trans- pose a version of the FFR which does not accord**

with that which you have signed. That is not acceptable.

“Should you go through with this course of action I will have no choice but to conclude that you are disregarding good governance and continue to be in breach of a series of commitments you have made. This is disappointing for the Cayman people. The Government of the Cayman Islands has given an undertaking to the UK Government to transpose the FFR as agreed into law. We expect the Government of the Cayman Islands to meet its commitments. I urge you to take action to remedy the situation in full immediately.

“As set out in my letter of 1 October the continued breach of your commitments has left me with no alternative but to give detailed consideration to alternatives. Not only is the failure to meet a key part of the terms of the budget agreement a serious matter but ensuring the good governance of the public finances and procurement are too. We have a shared responsibility to the people of the Cayman Islands, including as we have set out in the White Paper, to ensure that the public finances are well governed and can be sustainable. I ask you and the Cabinet to urgently revisit your position.”

Madam Speaker, it goes on to say:

“Should you push ahead regardless I will have no choice but to ask the Secretary of State to instruct the Governor to reject the proposals. As you know I am ambitious for the economy and people of the Cayman Islands and am as keen as you are to see a cruise ship terminal . . .” which doesn’t enter into my thought process.

But, Madam Speaker, what this basically says to me is that the document that the Premier has brought here has to be supported, because if we don’t support it, it’s going to be enacted in any event. For my decision, I don’t think it makes good economic sense for us in the Cayman Islands to continue this back and forth because of investor confidence being shattered and the local consumer confidence waiting to see what’s going to take place.

So I believe that as we look at this, take all of the emotion out of it, and try to see what’s in front of us as has been presented by our partners, I will be supporting the document that the Premier has brought down. Thank you.

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

Fourth Elected Member for Bodden Town.

**Mr. Dwayne S. Seymour, Third Elected Member for Bodden Town:** Thank you, Madam Speaker. Third Elected.

**The Speaker:** Oh, I’m sorry. Third Elected Member. We’re getting to fourth soon though.

**Mr. Dwayne S. Seymour:** Not fourth yet!

Madam Speaker, maybe there was a survey done!

*[Laughter]*

**Mr. Dwayne S. Seymour:** Fourth! At least I would still be in.

*[Laughter]*

**Mr. Dwayne S. Seymour:** So thankful!

As we end the Friday, it’s good to have a little jovial time. But as we prepare to vote on this very important matter, I too . . . like the First Elected Member for Cayman Brac said, a lot has been said on this matter. As a backbench Member of the Government I too have to vote on this.

We are here as a support to the Cabinet to ensure that the Government’s wishes are moved forward in a positive manner. But, Madam Speaker, I can say to you that I have been searching my heart and taking advice as to the detriment this FFR framework being put into legislation will be to the Cayman Islands. I wonder at times why a mother would treat her child like this. And I’m speaking about the UK, Madam Speaker.

I am wondering, with all of the restrictions that we are going to have with this FFR and with all of the unemployment that we have—some 2,000 persons it’s estimated—I am wondering what assistance the UK is going to give us to try to assist these persons who are either looking for jobs or looking for assistance from the Social Services Department. There is no borrowing that can be done.

Madam Speaker, what really troubled me about this document, and it’s probably been mentioned many times before, but I want to let it be noted that when I read that the Government would not be able to borrow between now and June 2016, Madam Speaker, that made me very concerned that we don’t have the option to do that knowing full well the situation that we find ourselves in. No statutory authority, CIA, Water Authority, CAL, none of them will be able to borrow.

My fear, Madam Speaker, is this system that the FCO is setting out for us . . . never mind that we just got a new Constitution that gave us some new latitude, and now the UK is taking it back with a side agreement. Everyone knows some of the reasons why the UK has had to ensure that this FFR was brought down here to the Legislative Assembly. And we can argue from side to side whatever is convenient for each side, but we definitely know that if we never spent it ourselves, it’s crazy; some \$400 million in four years, \$81 million deficit, that we definitely wouldn’t be here today voting on this.

I see a grave danger, Madam Speaker. What I see is the lack of concern for the unemployed in the



Cayman Islands from the UK; the un-concern of people losing their homes, losing their cars. Madam Speaker, I really hope that the Opposition really looks at . . . and there are times in here when we really don't need to play politics and we need to do the right thing for the country. If we don't take a stand at this time . . . I heard some Members speaking about the back and forth and investors' confidence, et cetera. I think the investors would be more concerned if never fought.

The investors would probably be saying everything that the UK brings this Government they just roll over and play dead. The people of this country would say, *Why did we put them there?* We have to fight! If anyone here thinks that the fight has gone out of them it's time for them to resign. That's the reason we were put here.

Madam Speaker, there is a time for us as a House to come together on these important matters and do what is best for the country to send a message to the outside world, to the UK, to our mother country, that not just because you have an obligation to the European Union (EU) that you need to just ram things down our throats and not think about the ramifications, the effects this will have on the Cayman Islands. Madam Speaker, I am very concerned about the effects this is going to have on the financial industry and the ability for this country to grow and stay modernised with the rest of the world. I am very concerned.

Madam Speaker, there is a lot that I could say here today. But I don't even want to get into any politics—the who did what, the who built what school, who built what roads. I don't want to get into all of that today. I don't even want to get into the suggestions that the last Government operated like five different Governments. I don't want to get into that.

*[Inaudible interjection]*

**Mr. Dwayne S. Seymour:** I always take the kind advice of the First Elected Member for George Town.

*[Inaudible interjection]*

**Mr. Dwayne S. Seymour:** Madam Speaker, I won't delay any longer to say that I am not satisfied with what the UK sent down here to us. I think there could have been more dialogue. It was almost a situation that it was supposed to be sent down to the Legislative Assembly and anyone who dares vote no on this will be spanked on their hand. I was always the child that challenged mom. And I took those spankings! And I am a better man for it today.

*[Inaudible interjection]*

**Mr. Dwayne S. Seymour:** Thank you so much for that.

Madam Speaker, I am happy to say that the people who elected me will be proud to know that I am doing my best to protect the interests of this country

and to show my concern for the unemployed mostly, and for the growth of this country that seems so dim, so dim, Madam Speaker, with the approval of this FFR amendment to the Public Management and Finance Law.

Madam Speaker, hearing all the passionate pleas from my colleagues, the Fourth Elected Member for George Town, the Third Elected Member for West Bay, and then hearing the change of heart and the change of tongue and the twist of tongue from the Opposition saying on the radio that if it were brought down in the original form that they would vote for it, and when they get down here they find a convenient way to say they don't know enough. Not only one.

*[Inaudible interjection]*

**Mr. Dwayne S. Seymour:** I understand.

Why I am here is for love of country, Madam Speaker, that's why I'm here. Although it might be someone else's slogan, they need to live by it. The elements of this FFR are going to have lifetime effects on this county, mark my word. Negative effects! I am encouraging everybody to vote no, as I am going to do.

I thank the Opposition Member for reminding me of the mobility that I have in my legs. Thank you very much, Madam Speaker. God bless this wonderful Cayman Islands.

**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]

First Elected Member for George Town.

**Hon. D. Kurt Tibbetts, First Elected Member for George Town:** Thank you, Madam Speaker.

I must admit I did not initially intend to engage in the debate after the Leader of the Opposition had given our position and at that time the Premier had introduced the Bill and it was my view, although there were concerns that were raised about some of the issues, especially the section regarding procurement and the fact that it was not in the Bill and only to find out it was proposed for that to be in regulations. Having listened to all of that, but then it is obvious now from what we are hearing, that the Government is not united in a position on this amending Bill to the Public Management and Finance Law.

So, to step back and hear what everyone has said thus far, without me trying to figure any angle, but just looking at it from what I have heard, it seems to me that at least some of the Government—because we have even had the altar call—is saying that all of us should say no to the Bill. I have listened . . . and by the way, Madam Speaker, before I go any further, let me say this: Unlike what some may think in this Legislative Assembly, I can stand here and speak my mind



and deliver what I firmly believe and forget all about the UDP and PPM. I can do that quite easily. And that's what I am doing right now.

I understand my position. I understand that I sit with the Opposition. And I understand that we dialogue. But I am saying to you that I am going to tell this Legislative Assembly in very short order, and the people of this country, what I think about this as it stands. I just want to make that clear now.

Madam Speaker, having listened to everything, and I took note of what my colleague the First Elected Member for Cayman Brac and Little Cayman said, and I took note of those who have taken the other position. And generally I am hearing that if we love these Cayman Islands, if we love the people of these Cayman Islands, then we need to say no to the amending Bill that's being brought.

Madam Speaker, a quick sequence of events as I understand it, and I will follow suit with the Third Elected Member for West Bay who quickly brushed aside where it stems from, whose fault it was, and not go into anything like that. I am sure he would bow his head in agreement with me there. And he's bowing it almost vigorously; can't bounce him too far away.

Madam Speaker, let us look at it, since we are supposedly at this point in time willing to be objective, let's look at it objectively. Whatever the rationale has been from us or them or anyone else as to why, that will probably come again later, but nothing like that now. The fact is, what is, is, and it is.

In November of last year, if memory serves me right, this document called the Framework for Fiscal Responsibility was prepared and at whatever point in time, whether there was much discussion, whether there were amendments, whatever that was, I don't know that. I don't know how that happened. I know it got to the point where the Premier signed. We were told about it in the Legislative Assembly quite awhile back. We also became aware through public utterances and correspondence that the United Kingdom expected the Framework for Fiscal Responsibility to be brought into law by the Legislature of the Cayman Islands in whatever the timeframe was. I think it was by beginning of July this year—fine. So, we are now in the second week of November, and it is here.

I have heard that the rationale as to why we should not agree to this, and listening to the contributions from colleagues across the floor, is that under no circumstances will we be able to borrow any money until June 30, 2016. And there were some other points. Then, on this side, there were some arguments put forth that the document presented to us was, to put it in short words, inconclusive and incomplete, and that what is being proposed to put in the regulations should be in the law. And, in fact, I believe there is an amendment being proposed by the Member for North Side seeking for these amendments by way of what would go into regulations to actually become part and parcel of the amending Bill.

Also, there is a proposed amendment from the same good gentleman asking if it is to be regulations, for those regulations to be ratified by affirmative resolution in the Legislative Assembly. And his rationale for that was simply to say that that's the safe way to make sure the regulations could not be changed just simply by Cabinet action alone, and that all Members of the Legislative Assembly would be aware and would be able to participate in that process. So that's kind of where we are at.

But, Madam Speaker, if we look at the document itself, as I understand it, it is what London wants. Now, I don't know whether they want it as the document is, or as the Bill is. I presume that the Bill was sent to somebody to look at and they said it was okay to bring it. In fairly short order, my understanding of the Framework for Fiscal Responsibility when it comes down to the section about borrowing and everything else, what it is really saying, as I understand it, is, *Okay guys, for whatever reason* (and you all can argue about that, but we're not arguing about that today) *where you are at right now, you are not in compliance with the Public Management and Finance Law. You are not within your debt service ratio and the other areas that go in that section.* There is also the mention about the procurement practices and how they think that it should be followed, whichever Government it is or whoever it is at any time.

Now, there have been arguments back and forth in this Legislative Assembly that Governments by and large should live within these ratios. And that is the aspiration—to live within these ratios. So I personally am not so sure that when the argument is put out that because we are told that we have to live by these ratios, that that is wrong and we shouldn't accept it because we ourselves are saying . . . we have made laws that say that we should. But the argument extends further and says that once we approve this we can't borrow again until June 2016. What it is really saying, Madam Speaker, is until we return, until we are within those ratios, and we have up until that time to get back to within those ratios.

And it goes on to say, Madam Speaker, that should at any point in time the Government find itself where it is not within the ratios it must be rectified within three years, and there must be a plan given to the UK to show that this will be done. And it also says that in exceptional circumstances, because I heard about disasters and all like that. Madam Speaker, let's be realistic. If there was to be a disaster, inasmuch as we might cuss them and say that they don't help us . . . fine. I know all of that. We all lived through that. But there is no way in the world that there could be some specific and special circumstance that faces us that would cause us at any point in time to have to go outside of those limits that we have already existing within our laws, that we wouldn't be allowed to do so. I don't foresee that.

So, the point I am making is that while it means the reins are tight, we are certainly not finding ourselves (in my view) in totally untenable circumstances.

Madam Speaker, I am going to go further and say something else. This one I said to no one, and this one is a risky one, but I want to tell you that I firmly believe this. And since everybody is bare-chested and opening their heart and soul today, I am going to make this statement, no matter how it's forgotten or whatever it costs me. Madam Speaker, this entire country, the elected arm of government, the official arm of government, the public service, core government and entire public sector, has not come to grips with the fact that life is not how it used to be and we have to learn to live differently.

Now, Madam Speaker, I make that statement because it includes all of us, and I exclude no one, including myself. But I am saying that this, when looked upon the way it is being looked upon now, my view personally should really be looked upon as the one time that we can't be blamed, but we can fix it, even if we are forced to do so. I don't know who is going to take that wherever they want to take it, but I know that I am understood.

Madam Speaker, I happen to be able to stand here today and say that I have been through that for years. And I could not find the way to do it. Not suggesting me . . . I nearly said "little me," but I won't do that.

[Laughter]

**Hon. D. Kurt Tibbetts:** Not suggesting that me by myself, either that I was supposed to or that I had the ability to, because, Madam Speaker, of this I am convinced: No one person can do that. It is going to take, first of all, an acute awareness; secondly, an acceptance; and thirdly, a willingness by all of us to make this happen.

So, Madam Speaker, this is a whole new twist. But I firmly believe—*me*—I firmly believe that while we may argue about all of the other things that we have argued about, that this is the one time that I see is a real opportunity for us to get that right. And my view is if this is what can make us get that right, it's certainly worth it.

Madam Speaker, this is one of those . . . I can't even think of the word now, but it would be a long word that I probably couldn't even spell. But this is one of those things that is the most convoluted, complex and unexplained phenomena that we live with. But there are some good reasons why we are where we are, because we all know that for many years through much hard work, through good fortune in some instances, through foresight in the eyes of some of our forefathers, through many good things from the good people of the Cayman Islands, we have experienced growth, upon growth, upon growth, upon

growth, year, after year, after year, after year. And even when the growth was not plenty growth, it was growth.

For at least four decades of our lives, all we knew was growth. Some of us have experienced and witnessed and understood that there were prices to keep paying for that growth. And we watched those prices playing out today. We never used to know what real crime was. Education wasn't half as important as ambition in the earlier times, because jobs were not anywhere near as specialised as they are now. The job market was totally different. If you had good common sense, if you were quite willing to work and you were willing to learn from someone who knew, you could apply yourself and you could live and feed your family. That's how it worked. You didn't go to sea; you did what you do best on the land. And life has changed.

So, Madam Speaker, after that phenomenon and this growth, every sector of our society has come to expect the same thing all the time. So when you hear that you can't spend this money because it is not like how it was, people just don't seem to believe it. They believe that it might be slow this month, but by next month everything will be fine again. So they go on, and they go on, and they go on. And that's in the homes, and that's in the government.

I don't want to digress, Madam Speaker, and I will not take forever. But I wish to say this: Since we say we want to look at it very carefully, and I am looking at the FFR now, we really need to look at this extremely carefully to be able to justify all of these things that we say we can't do, because that's not how I read it. I read it: *We can't just do it so*. But I read it that if the relationship is to continue to be one that is mutually beneficial, that is the constitutional relationship between the United Kingdom and the Cayman Islands, then there should be no expectation on my part that we can't sit and talk. That if something goes, what my good friend who is now the president of the University College of the Cayman Islands, Mr. Roy Bodden, used to say, if something goes ory [PHONETIC], then there is no reason why we can't sit and work it out.

Now, let me make it very clear that I am not suggesting that if it were totally up to Kurt Tibbetts that this is what I would visit upon the Cayman Islands. That is not what I am suggesting. Not for a minute. But, Madam Speaker, there are many things over which individually and sometimes even collectively, we don't have total control. And this is one of them.

#### Moment of interruption—4.30 pm

**The Speaker:** Member for George Town, we have reached the hour of 4.30. Do you have much more to say?

We need to have a . . .

[Inaudible interjections]

**The Speaker:** Honourable Premier.

## **ADJOURNMENT**

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

We propose to adjourn the House at this point. Monday being a holiday and Tuesday being Cabinet, we are going to adjourn until Wednesday next at 10.00 am

**The Speaker:** The question is that this honourable House do adjourn until next Wednesday, 14 November 2012, at 10.00 am.

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

**Ayes.**

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

**At 4.33 pm the House stood adjourned until 10.00 am Wednesday, 14 November 2012.**

