



**CAYMAN ISLANDS  
LEGISLATIVE ASSEMBLY**

**OFFICIAL HANSARD REPORT  
ELECTRONIC VERSION**

**2012/13 SESSION**

**14 November 2012**

*Fifth Sitting of the Second Meeting*

*(pages 357–386)*

**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 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 Franz Manderson, Cert. Hon., JP	<i>Deputy Governor</i> , Member responsible for Internal and External Affairs and the Civil Service
Hon Jacqueline Wilson	Temporary Attorney General, ex officio 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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**APOLOGIES**

Hon Juliana Y O'Connor-Connolly, JP, MLA	<i>The Deputy Premier</i> , Minister of District Administration, Works, Lands and Agriculture
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**OFFICIAL HANSARD REPORT**  
**SECOND MEETING 2012/13 SESSION**  
**WEDNESDAY**  
**14 NOVEMBER 2012**  
**11.56 AM**  
*Fifth Sitting*

**The Speaker:** I call on the Honourable Deputy Governor to read Prayers this morning.

### PRAYERS

**The Deputy Governor, Hon. Franz Manderson:** 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.

### ADMINISTRATION OF OATHS OR AFFIRMATIONS

**Oath of Allegiance**  
*[administered by the Clerk]*

**The Speaker:** Miss Wilson please stand.

**Hon. Jacqueline Wilson:** I, Jacqueline Wilson, do swear that I will be faithful and bear true allegiance to Her Majesty, Queen Elizabeth II, her heirs and successors according to law. So help me God.

**The Speaker:** On behalf of this honourable House I welcome the [Honourable Acting Attorney General, responsible for Legal affairs to be the Temporary ex-officio Member of the Legislative Assembly] and ask her to take her seat please.

Please be seated.

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

#### Apologies

**The Speaker:** I have a message from the First Elected Member for Cayman Brac and Little Cayman that he will be late arriving today.

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

**The Speaker:** I have no notice of Statements by Honourable Members and Ministers of Cabinet.

### OTHER BUSINESS

#### BILLS

**Withdrawal of Bills**  
*[Standing Order 58]*

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

*[First and second versions gazetted 2<sup>nd</sup> and 8<sup>th</sup> November 2012]*

**The Speaker:** Honourable Premier.

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, under Standing Order 58, I seek to withdraw the Public Management and Finance (Amendment) Bill, 2012, gazetted on 2<sup>nd</sup> and 8<sup>th</sup> November 2012.

### Point of Clarification

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Madam Speaker, on a point of clarification. I wonder if the Premier could explain to us the reasons for the withdrawal today.

**The Speaker:** Honourable Premier.

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, I think all of us know why. But for the record, obviously the Government brought one Bill which was not satisfactory to the UK. The second Bill was not satisfactory to the UK, and Members themselves, some Members, the Members opposite, said they wanted to see the regulations in the law. Well, all the regulations to do with the Public Management and Finance Law are not in the law, they are all separate and apart as has been normal in this country for 99.9 per cent of the regulations in these Islands.

We sought the support of the drafting people through the Attorney General to get to the point where we could get the Bill into some shape, although it is unusual, it's a very unconditional way that we normally . . . we do not do Bills that way in this country, and that was the problem with it. I thought it was all satisfactory. Even when we said, *Okay, we're going ahead and taking the part that I had suggested out*, we thought that we were on target; except that Members wanted that part, the UK wanted that part as well. So, the Honourable Attorney General got the drafters to agree and that Bill is now before us and the UK has said this is what they wanted.

In fact, Mr. Jefferson received an email from Richard Holmwood on the 12<sup>th</sup> which said: "Thank you for sending this through, the Public Management and Finance (Amendment) Bill, 2012, (third edition). We understand that the Attorney General is content that this will transpose the Framework for Fiscal Responsibility, FFR, into Cayman Islands Law and given the intended practical and legal force to the Framework for Fiscal Responsibility as signed on 23 November 2011. More practically we also understand that if there were a conflict between the contents of the FFR the Sixth Schedule and another part of the Public Management and Finance Law, section 3(2), provides for the FFR to have primacy. On this basis, we agree that when this draft comes into force it will fulfill the requirement to transpose the FFR into Cayman Law." [UNVERIFIED QUOTE]

So, those are the reasons, Madam Speaker. That's the reason I am suspending Standing Orders. At the point when we come to the Bill maybe I will have a further explanation if that is needed.

**The Speaker:** The question before the House is . . . There is a motion to withdraw the two Bills under Standing Order 58.

**The Premier, Hon. W. McKeeva Bush:** No, there's only one Bill; the other one was withdrawn already. Anyway . . .

**The Speaker:** The first and second versions of the Public Management and Finance (Amendment) Bill, 2012, gazetted on 2<sup>nd</sup> and 8<sup>th</sup> November 2012.

**The Premier, Hon. W. McKeeva Bush:** All in favour?

**The Speaker:** Does everyone have the Order Paper? I will put the question that the Bills be withdrawn under Standing Order 58.

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

**Ayes.**

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

**Agreed: The Public Management and Finance (Amendment) Bill, 2012—First and second versions gazetted on 2<sup>nd</sup> and 8<sup>th</sup> November 2012 withdrawn.**

## GOVERNMENT BUSINESS

### BILLS

#### Suspension of Standing Order 46(1) and (2)

**The Speaker:** Honourable Premier.

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

I beg to move the suspension of Standing Order 46(1) and (2) to enable the third version of the Public Management and Finance (Amendment) Bill, 2012 to be read a first time.

**The Speaker:** The question is that Standing Order 46(1) and (2) to enable the third version of the Public Management and Finance (Amendment) Bill, 2012 to be read a first time.

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

**Ayes.**

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

**Agreed: Standing Order 46(1) and (2) suspended.**

### FIRST READING

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

**The Clerk:** Public Management and Finance (Amendment) Bill, 2012.

**The Speaker:** The Bill is deemed to have been read a first time and is set down for a second reading.

#### **Suspension of Standing Order 46(4)**

**The Speaker:** Honourable Premier.

**The Premier, Hon. W. McKeever Bush:** I beg to move the Suspension of Standing Order 46(4) to enable the third version of the Public Management and Finance (Amendment) Bill, 2012, to be given a second reading.

**The Speaker:** The question is that Standing Order 46(4) be suspended to enable the third version of the Public Management and Finance (Amendment) Bill, 2012 to be given a second reading.

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

**Ayes.**

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

**Agreed: Standing Order 46(4) suspended.**

### **SECOND READING**

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

*[Third version]*

**The Clerk:** The Public Management and Finance (Amendment) Bill, 2012.

**The Speaker:** Honourable Premier.

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, I beg to move on behalf of the Government the Public Management and Finance (Amendment) Bill, 2012.

**The Speaker:** The Bill has been duly moved. Does the Minister wish to speak thereto?

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

The Bill now before the House achieves the objective desired by the Foreign Office of having the FFR in its entirety placed into a Bill that proposes to amend the Public Management and Finance Law. As I stated earlier, some Members stated that they needed assurances that the FCO was content with the completeness of the Bill before they would vote on it. Madam Speaker, since the present Bill would take the FFR in its entirety, whether I said "good morning" in

that agreement or not, that is now going to be part of the law; "good morning."

Since the present Bill would take the FFR in its entirety into law there is no reason for those Members not to vote [for] the Bill. The detailed clauses of the Public Management and Finance (Amendment) Bill, 2012, as are follows:

Clause 1 provides for the Short title.

Clause 2 amends section 2 of the principal Law to define the term "Framework."

Clause 3 amends section 14 of the principal Law to provide for compliance with the Framework.

Clause 4 inserts into the principal Law a Sixth Schedule—Framework for Fiscal Responsibility in its entirety.

Madam Speaker, the subject matter of this Bill is still the FFR, which Members considered, which Members debated before and, therefore, I would expect that Members will not have much more to say on the Bill than they have already contributed. Or, at least if they have to debate it, it would be brief. Madam Speaker, I hope I am not whistling in the wind. But I'm hoping.

Madam Speaker, as I said, Members considered the Bill. The only difference is that the regulations are now included in the Bill, the regulations that I gave to Members the other day which were going to be separate and apart. As I said 99 per cent of our Bills are. That is now part and parcel of this. And that is the difference in this Bill.

I commend the Public Management and Finance (Amendment) Bill, 2012 [Third Version], to this honourable House for passage.

**The Speaker:** Thank you, Mr. Premier.

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

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

We have before the House this morning a third version of a Bill for a Law to amend the Public Management and Finance Law (2010 Revision), to incorporate into the legislation the terms of the Framework for Fiscal Responsibility agreement, which the Premier signed in London on 23 November last year, which was also signed on behalf of the United Kingdom Government by the then Minister with responsibility for the Overseas Territories, Henry Bellingham.

Madam Speaker, what has transpired over the course of the last year in relation to this ought to be a lesson to all of us, and, in particular, it ought to be a lesson to the Premier and his administration, that no member of that administration, even the Premier and Minister of Finance himself, can take it upon themselves to sign agreements which bind the Government of the Cayman Islands and then expect to come back and walk away from them and renegotiate them and

complain about provisions in the document not being in the best interest of the Cayman Islands Government.

Madam Speaker, we have had a situation where the Premier not only signed this Framework for Fiscal Responsibility document on 23 November last year, making a commitment one time, but leading up to the much-delayed and controversial final Budget of this term—which we finally got through in August—the Premier gave a second commitment to the United Kingdom Government, to the FCO, to ensure that this Framework for Fiscal Responsibility became a part of the local legislation by being incorporated into a revised version of the Public Management and Finance Law. That original undertaking is contained in the document and was given when the document was first signed on 23 November last year.

Now, what we have seen played out over the course of the last few months in particular ought to demonstrate to everyone that, as I have said before, either the Premier, as Minister of Finance, is not paying attention to his duties, or the Government is deliberately engaging in a game of brinkmanship with the United Kingdom Government. But what has transpired over the last week in which the Premier has been first forced to eat his words a day later, in which he insisted the Government was not going to incorporate the precise terms of the Framework for Fiscal Responsibility into the Public Management and Finance Law, but instead was going to proceed with a version which the Government approved of. We saw first the document which had been circulated to Members earlier being withdrawn at the start of debate last Wednesday. We proceeded with two and a half, almost three days of debate over the course of last week. I believe some eight Members of this House spoke in relation to the debate.

On this side we pointed out problems that we had with that document, that we did not believe it met the requirements of the United Kingdom Government because it did not incorporate into the legislation all of the terms that had been agreed to and signed by the Premier back in November of last year. But the Government proceeded nonetheless with the debate, and as I said, some eight of us spoke. When the hour of interruption arrived on Friday evening last, the First Elected Member for George Town was in full stride making, I believe, the most powerful case yet as to why the terms of this agreement are actually in the best interest of the Cayman Islands not just in the best interests of the United Kingdom Government.

When the hour of interruption came and the Premier rose to adjourn the House he told us then that he would be circulating (and he did circulate) a third version of the same Bill, the Public Management and Finance (Amendment) Bill. This version, Madam Speaker, finally complying in every material respect with what the United Kingdom Government has been insisting upon for now almost a year. So this ought to

be a lesson, as I have said, to the Government about what it means to sign an agreement with another country and, in particular with the mother country, that you cannot just sign a document because you feel you are pressured to do so and that you will then subsequently seek to negotiate different terms.

It ought to be a lesson to all of us as well, Madam Speaker, that when it comes to certain aspects of the management of the affairs of this country, the present Constitution notwithstanding, the United Kingdom Government holds the final card. And if the Premier and his Government are not ashamed, are not embarrassed about how this has played out over the course of the last few weeks in particular, I can tell you, Madam Speaker, as a Member of this House, I am! I am downright embarrassed.

It makes us all look as though we are playing at some kind of Mickey Mouse Parliament. To waste the time of this House, to waste Members' time debating at length for two and a half, three days, and for the Premier to come this morning and contritely withdraw the earlier Bill, dismiss out of hand the debate of the last week, introduce a new Bill and then say plaintively to Members, *I hope you all are not going to complain too much, you don't have too much more to say because you've already spoken . . .* we have a different Bill before us, Madam Speaker! A Bill which finally, I believe, will meet the requirements of the agreement which the Premier committed this country to a year ago.

Now, Madam Speaker, to the terms of the FFR and the new Bill itself: Over the course of the debate last week we had what I regarded a surprising approach by some Members of the Government backbench which seems to be completely out of step with what the Government now claims to be saying. Some Members of the backbench, the three who spoke, said that this agreement is disastrous, it is going to create huge amounts of bureaucracy and it is going to reverse the gains made by the Cayman Islands Government under the new Constitution. And on that basis they cannot support it.

Madam Speaker, if that is the case, if the Government does feel the way those three Members of the backbench feel, what is the Premier doing introducing this Bill to this House? Because the fact that it is brought here by the Premier is an indication that Cabinet in its collective responsibility has decided that this will be the policy of the Government. In fact, what transpired last Friday as those backbench Members spoke [was] an indication—or more, a vote, perhaps, of no confidence in the Government, because it is their Government that has brought this Bill to the House. Are they saying to this House and are they saying to this country that they do not repose sufficient confidence in the Government and in the Premier in relation to this to support the policy decision that has been taken by their Cabinet?

And, Madam Speaker, that is a critically important question which the Government bench, particularly the Government backbench, must answer, I submit, in the context of this debate, because if the Government has lost the confidence of its backbench, we all know the consequence of that, constitutionally. We are only five months, or less, from the dissolution of this House. But that does not mean that a vote of no confidence in the Government is something that can't happen.

**The Speaker:** Honourable Leader of the Opposition, we are not debating no confidence in Government; we are debating the amendment to the Public Management and Finance Law. I wish we would stay on target today to get this debate out. We are debating this Bill that is before the House. The debate on the other Bills has already gone on and we have moved on to a new Bill. Every Member will have an opportunity to speak on this Bill, including, the Members you are alluding to.

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

Madam Speaker, the problem which the backbench of the Government identified was that this document, the Framework for Fiscal Responsibility, is too draconian, it handcuffs an administration, it creates far too much bureaucracy, it claws back a significant amount of the autonomy which the new Constitution gave to the Cayman Islands Government, and Government has to jump through too many hoops, clear too many hurdles, it is going to be next to impossible, they say, to get through projects, to get through programmes, and it is generally going to make life a nightmare for whoever is in Government.

Madam Speaker, some of the concerns expressed are not without merit. And, Madam Speaker, having been in Government myself, I understand the kind of challenges that any administration is going to face going forward. In many cases it is going to be very time constraining, it is going to be very restrictive in certain respects, and it is going to require a level of discipline which hitherto, at least in my limited experience, I have never seen demonstrated within the public service as it relates to finances and as it relates to procurement, and as it relates to delivering value for money and managing risks and accountability, and the full range of issues which have been at the forefront of the concern of the UK and, indeed, the concern of this House in the last few years.

Madam Speaker, I have come around to the view myself, particularly after having heard it articulated so brilliantly as part of the debate of the First Elected Member for George Town on Friday, that indeed, Madam Speaker, the only hope for us righting the good ship Cayman and getting us back between the lines as far as fiscal discipline is concerned, as far as procurement, awarding of government contracts

and so forth is concerned, is going to be if we write it into the legislation and we enforce it.

Madam Speaker, for the last four-plus years the present Government when they were in the Opposition and particularly since coming into Government, has devoted 90 per cent of their speech-making time to criticisms of the previous administration of which I was a part, and about our fiscal mismanagement and our inability to manage government finances and so on and so forth. And that cry has gone on ever since they took office. Perhaps if they spent less time complaining and crying and actually focusing on what the need is, we might be a little bit further ahead as a country. But that notwithstanding, Madam Speaker, the country is in no better position as far as financial reporting is concerned. The country is in no better position as far as projections in relation to government revenue is concerned, and the country is certainly in a much worse position as it relates to the procurement process and the award of government contracts than it has ever been under the current administration.

Despite all of the chat, despite all of the rhetoric, despite all of the criticism, despite all of the promises, this Government has delivered absolutely nothing in terms of fiscal reform, in terms of fiscal management, in terms of management of the procurement process. And the result is manifest. We have seen four budget cycles come and go in what I have always described as the "pretend budget" in 2009 when the Government seemed to proceed on the premise that we could move (to use their figures) from an \$81 million deficit to a surplus position in less than nine months, because the Budget came late, in a subsequent Budget in which they claimed that they produced a \$24 million surplus, which has seemingly disappeared into thin air, to the current situation where they are now projecting, I think—and maybe the Premier can . . . is it an \$80 million surplus they are predicting for this year?

**An Hon. Member:** Eighty-one million dollars.

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** An \$81 million surplus for this year.

But right now in November, we are already hearing rumours that the Government is again in a cash-crunch situation.

So, Madam Speaker, if we don't get in Government to a position where we have reliable figures, we have reliable projections, and Members of this House, and the country generally, can have some faith and confidence that what is being said actually bears some relation to the truth, then disaster will attend us in very, very short order. And if it requires the imposition of something as draconian as the Framework for Fiscal Responsibility to help make that happen because we can't develop the discipline ourselves, then it is something that we have to accept. And, indeed, Madam Speaker, even with the hope

and objective of my being part of the next administration that is going to have to work with this, I say, after considered thought, that this is good for us.

We have to get everyone involved in this process—the elected Members of this House, the members of Cabinet, elected and official, and the broader public service, the boards of directors of the statutory authorities and government owned companies, everyone involved in the government system who are the recipients of government revenue and who spend government money and who award contracts and who pursue projects—to come to a new realisation about the state of government finances. Because, Madam Speaker, I believe, and everything I have seen and heard tells me that Government, and I mean the elected Members here as well as the broader government, and the public service and the broader community still have not come to the realisation that there is a new world order, that the state of the world and the world economy has changed fundamentally and all the issues and problems we have are simply not going to reverse themselves in short order.

Most people seem to proceed on the basis that this is a temporary problem that we have and that it is going to correct itself in short order. And the Premier is to be blamed principally for that perception. He came to this House, he came to the broader community, and said, *Don't worry. Hang on. We are going to turn the economy around in 90 days.* And then four months later he offered us that hope and promise again. Thankfully, Madam Speaker, he has quit making those “hang on, help-is-on-the-way-in-90-days” speeches. But, Madam Speaker, until we all come to the realisation that things are not going to correct themselves in short order, that we are going to continually have less in terms of revenue, that we are going to have to place a serious break on expenditure, that we just can't carry on on the basis of *don't worry, things are going to get better*, we will never get through—not about get out, get through—the challenges that lie ahead for the next few years.

I see nothing in the global economy on the European front, on the American side, or even in Asia which tells me that the end of this recession is anywhere near in sight. And so, Madam Speaker, the approach of the present administration, which is now nearing the end of its four-year term, unfortunately has made what was a bad situation much, much worse, and we now have a complete and total crisis in confidence as far as the Government of the Cayman Islands is concerned, and, indeed, as far as the economy of Cayman is concerned.

Neither local investors or those who look from afar can feel that they can confidently invest in Cayman, in a place where the financial accounting is a disaster, where no process is followed as far as procurement is concerned, where contracts are signed and broken on a whim, where Government walks away from multi-million dollar contracts saying there is

no contract and then the courts say, *Hang on, Mr. Premier, you need to pay GLF US\$3 million*, that, according to the Premier even now, he denies there was any liability, where faced with all sorts of concerns by the Auditor General, by the Opposition, by business people, by the FCO, by the Minister, the Premier persists on walking down the road—*We are going to pursue negotiations with China Harbour Engineering Corporation [CHEC] and I don't care who says so, no one is going to stop me!*—a company that has all sorts of reputational issues the world over; a company that never bid as part of the bid process. Cancelled the contract with GLF, terminated it and spent 18 months—wasted 18 months—negotiating with China Harbour only to be forced by the UK to say, finally last Tuesday night that the China Harbour deal is off the table and we're back to the drawing board.

Madam Speaker, if the consequence was only whatever compensation we are going to wind up paying China Harbour . . . because, mark my words, Madam Speaker, and remember I said it this day, we will not walk away from the CHEC negotiations without having to pay some form of compensation. But it's not just about that. It's about the lost opportunities over the course of the last almost four years as this administration has completely mismanaged the whole issue of cruise berthing.

I heard the Fourth Elected Member for George Town get up in here on Friday and wax lyrical about this document, the Framework for Fiscal Responsibility, and how bad it is. It may be bad, Madam Speaker, but it is nowhere near as bad as his negotiating skills or those of the Premier, because he was in charge laterally of the negotiations with the Chinese. And we see where that has gotten us.

But, Madam Speaker, to the lost opportunities: It is the opportunities that have been lost and will continue to be lost in relation to those cruise ships and cruise ship passengers who do not come here because we do not have adequate berthing facilities. Despite being one of the most attractive destinations in the region, we have among the poorest facilities and amenities for the cruise passenger. And so, Madam Speaker, at a time when the economy most needs the contribution of the cruise passengers, we are getting less and less and less. And the reason for that, principally, is because the Government did not follow process. If they had followed process, if they had avoided all of these controversies that have become part and parcel of this deal—in other words, if they had followed the terms of the Public Management and Finance Law—we would have a contract signed, we would have construction underway, we would have the FCCA (Florida [Caribbean] Cruise Association), the association that governs the operations of all of the major cruise companies, saying, *Well, Carnival, you can rest assured that in two years' time Cayman is going to have state of the art berthing facilities and you can put Cayman back on your itinerary. Those of*



*you who have Genesis class ships can look forward in two years' times to your ships being able to be berthed in George Town Harbour and your passengers being able to disembark by gangplank onto solid ground, on to terra firma.*

Madam Speaker, right now what we have is a complete state of uncertainty and there is no doubt as it becomes more and more competitive, and as Cayman becomes less and less attractive as a demographic of cruise passengers gets older and older, Cayman is going to be less and less the place of choice that they want to go to because they get very scared, very concerned for their own safety having to be tendered from the cruise ship to shore. So, we've lost that opportunity so far. And with five months until the House is dissolved there is just no chance whatsoever that this is going to happen again, that anything is going to get started again with any seriousness until after we have another general election.

But, Madam Speaker, at a time when Cayman has more unemployed than at any other time that I can remember, we have missed the economic opportunities that would have been provided by a facility like the cruise berthing project being under construction—people employed, people having money in their pockets and being able to patronise the stores, the restaurants, the bars, paying rent to Caymanians who own apartments, just increased economic activity, as well as the direct employment of what should be hundreds of Caymanians involved in this project. And all of this has been lost because this administration led by this Premier insists on doing things his way rather than in accordance with the terms of the Public Management and Finance Law, in accordance with the advice and direction that has been given by the Auditor General, given by the FCO, given by the Minister, because he will always dismiss advice given by those of us on this side so I don't expect him necessarily to seek that. But, Madam Speaker, it is those concerns, in our view, that have driven the UK principally to insist on this document becoming part of our legislation in a revised Public Management and Finance Law.

Madam Speaker, as I said, I am convinced that the only way we are going to change the culture in Government, including the public service and elected Members of this House and the Cabinet, is if we are forced to do it by law. And while I understand and appreciate full well that this is going to make life difficult for whoever is in Government, I am even more convinced that if we don't get a handle on expenditure, if we don't get fiscal reform, if we don't get better at projecting revenue and expenditure and managing the whole government financial system, then we are going to find ourselves in even more trouble as each year goes by.

For the best part of 40 years, with few exceptions (because there have been some ups and downs) Cayman's revenue has grown exponentially year on year. No matter what we did, it seemed we could al-

most do no wrong. Cayman's economy expanded, government's revenues increased, Government was able to do whatever it needed to do. And all of us in the system—and I put my hand up too—came to believe that this is the way it is, this is the Cayman success story, as we called it. Other places may fail, other places may have difficulties, but Cayman and the Cayman success story will continue ad infinitum. What transpired in the world in 2008 has changed all of that. And we have to change our belief and our culture about how government operates too. And the current administration has demonstrated that they don't believe that, that they believe it's just a matter of time, a few more major projects—that was the Premier's thing—more inward investment was going to solve all the problems. And we do need inward investment, but we have to manage that properly.

The world has changed. There has got to be transparency and accountability and government just can't carry on and decide it's going to give this contract to this one, and that contract because you like that one, because that one has certain relations with so-and-so, and so and so. There has to be a process which can be relied on by those who wish to participate in these projects. And when you don't follow the process, when you don't pay attention, when you ignore procedures, more likely than not, things are going to go off the rails and you are going to end in the way that just about every project this Government has undertaken or spoken about has ended, which is in absolute total disaster.

Madam Speaker, while, from the Opposition's standpoint, some would say we should cheer, I don't; because this is my country, this is our country, these are my people, these are our people, who are suffering as a result of mismanagement and misguided approach of the current administration to the financial and economic challenges that this country has faced and continues to face.

So, Madam Speaker, I am still not convinced that the Government really agrees or approves of what is set out in this Bill. I still am not convinced that they want the Framework for Fiscal Responsibility to be part of the local legislation and part of the culture of how Government operates. We shall see when those on the other side rise in their places to speak. But based on what I heard last week, I have been driven to the conclusion that this is pretty much a farce—not the document; the official position of the Government whereby the Ministers bound by collective responsibility and led by the Premier will put the Bill forward and then the backbench of the Government will get up and oppose it and the Government will say, *See? We've done all that we can, Mr. Minister Simmonds, it's out of our control.* But, Madam Speaker, if my analysis of what I have seen and heard is right, let us understand what it is that we are doing.

If in this House we do not pass this Bill, Minister Simmonds has made it as clear as he can using

diplomatic language that the United Kingdom Government will impose it and the only way I know that they can impose it—by an Order in Her Majesty's Privy Council. In other words, the United Kingdom will legislate for us.

Now, Madam Speaker, with all of the concerns and uncertainties that abound, and the lack of confidence generally in the present administration, and with the state of Cayman's economy and the worries that I hear rumbling out of all of the boardrooms around George Town about the future of Cayman, does the Premier and his administration really believe that having the United Kingdom intervene in a drastic way by issuing an Order in Council to legislate for Cayman is something that will really inspire confidence, will improve the perception of Cayman, will do great things for the relationship between Cayman and the United Kingdom Government?

What is the end game here? Or is it just a show of muscle? *I am the Premier of these Islands and the UK is not going to tell me what to do! If they want to do it they will have to do it themselves.* Because that's what I feel is the game, Madam Speaker. And if I am right, that is a game not likely to yield the results in the best interests of the Cayman Islands.

**The Premier, Hon. W. McKeever Bush:** [Inaudible]

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** You can do what you wish, Mr. Premier. You will have your turn to speak.

**The Premier, Hon. W. McKeever Bush:** [Inaudible]

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** You are not in charge of this House, sir, the Speaker is.

**The Premier, Hon. W. McKeever Bush:** On a point of order, Madam Speaker.

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** He has no point of order, Madam Speaker, and I am not yielding.

**The Premier, Hon. W. McKeever Bush:** On a point of order.

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** I am not yielding.

**Point of Order**  
[Relevance]

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, I am calling to your attention relevance. What the Member is talking there has no relevance to this Bill. He is just speculating and, in fact, inferring and making accusations which Erskine May and our

Standing Orders say cannot be done. The Member is bringing no facts, even with going from one end of the world to the next. He has brought no facts about anything.

**Mr. V. Arden McLean, Elected Member for East End:** Hear ya 'bout facts again.

**The Premier, Hon. W. McKeever Bush:** You shut up!

[Inaudible interjection]

**The Speaker:** Honourable Leader of the Opposition, please continue your debate. And I asked you before to stick to the topic before us, the Bill before us.

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Madam Speaker, thank you. I am trying assiduously to stick to the topic. This is an issue that was raised by the Government Members, not by me. I am addressing it. Because, as I said, Madam Speaker, the Government needs to make plain whether they are serious about promoting this Bill or whether it is just some game of brinkmanship. That is the point I am making. But I've made the point, Madam Speaker. I've made the point.

**The Speaker:** I'm sorry, both of you. The vote will tell us what the Government's intentions are. Everybody will have an opportunity to vote and everybody will know what the vote is like.

Leader of the Opposition, please continue.

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** And so, Madam Speaker, we are at that crucial point today. I do hope fervently that what we are going to be treated to over the course of the next few hours is not just more rhetoric, is not just more saber rattling and show of muscle and noise to the UK, but that we all understand how serious this matter is and that the quicker we get this behind us and move on to other business, the better it is for the country, the better it is for all of us and the better it is, if they are being selfish about it, for the present administration.

Nothing is to be gained, and more is to be lost, by us dragging this out more, protracting the debate and the discussion on this matter for another few weeks.

**The Premier, Hon. W. McKeever Bush:** Sit down then nah?

**The Speaker:** Please, please refrain from interrupting.

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Madam Speaker, I know I am making the Premier very uncomfortable, but he will have his turn to speak.

**The Speaker:** Everybody is going to have their turn to speak.

**The Premier, Hon. W. McKeever Bush:** [Inaudible]

**The Speaker:** Leader of the Opposition, please continue your debate.

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** And so, Madam Speaker, as we said in the earlier debate on the previous version of the Bill, the Opposition supports the inclusion of the Framework for Fiscal Responsibility as part of the Public Management and Finance Law. We support the Bill in its present form now that the Framework for Fiscal Responsibility has been incorporated as a Schedule to the Bill.

And, Madam Speaker, I would urge all Members on the other side . . . and I think this is the first time I have ever had to do this, Madam Speaker, in 12 years. I urge the members of the Government backbench to support their Government as they put forward to the vote the amendment to the Public Management and Finance Law to include the Framework for Fiscal Responsibility. I urge them not to break ranks with their Government and their Cabinet. I urge them to support their Premier this one time. I urge them not to essentially vote against the Government and thereby signal to the country their lack of confidence in their Premier and in his Cabinet.

I thank you, Madam Speaker.

[Inaudible interjection]

**The Speaker:** Please refrain from the comments.

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

Second Elected Member for Bodden Town.

**Mr. Anthony S. Eden, Second Elected Member for Bodden Town:** Thank you, Madam Speaker.

As indicated earlier, I would ask your permission to deviate from the subject matter and offer a word of thanks on behalf of my other two Bodden Town colleagues, the Minister of Health and the Third Elected Member, to you and your committee on their successful Heritage Day in Bodden Town yesterday. I think you guys did a marvelous job under difficult circumstances. Just briefly, their names: Ms. Flo, Ms. Betty, Ms. Agnes, Ms. Claudette, Ms. Edith, Nurse Josie, Emilio and my wife Ellen. I know you and I both led many guided tours. It was good to see hundreds of children. It was very touching.

Madam Speaker, I did not plan to speak on this Bill at this time, but as I reflect back, having served for the last 20 years and something I never like

to say is “I told you so.” Madam Speaker, about two years ago the Member for North Side and I moved a <sup>1</sup>[motion](#) to make amendments to the Public Management and Finance Law. Anyone who has served in this House during those periods of time knows my stand on the Public Management and Finance Law.

When this was coming in at first, I spoke to the then (of blessed memory) our Financial Secretary, Mr. [Thomas] Jefferson. I spoke to his successor, Honourable George McCarthy. I spoke to our present Honourable Financial Secretary, Ken Jefferson, the Governors, Mr. John Owen, Peter Smith, Stuart Jack, that what we were getting into was something that these Island were not prepared for.

Yes, there is no one in here that believes more in accountability and transparency, Madam Speaker. But when we adopted the Public Management and Finance Law in its whole-hog, with all due respect to all of those who looked at it, I don't think they quite understood the ramifications. The area I am specifically talking about is the human resources and the accounting necessities that would be brought by the necessity to add hundreds of people to the civil service to run those two sections under the ministries, departments and whatever. Madam Speaker, it doesn't take a Harvard professor to know that when you add hundreds of people to the civil service, there will be a significant increase in the budget.

Many of the problems we have today have built up over a period of time. I and my colleagues, the First Elected Member For George Town, and the Premier, remember back in the “good old days” (as they talk about) when, as alluded to earlier by the Leader of the Opposition, we were able to balance the budget, have a surplus and many times we used that surplus to build our capital projects. Unfortunately, we seem to have grown out and we keep going and going and expanding.

Madam Speaker, back in those days the experts looked at me and termed me “country boy.” At that time I was a truck driver, farmer and I had a little bit of common sense. I remember in 2009 when I sat in the Cabinet room with many of the people from the financial section, specifically, one young man said, *Mr. Eden, you remember what you used to talk about, what is now happening*; when one component alone within our budget, \$98 million that we had to pay for part of the civil service package. I think it was consumables or some heading under which that thing [came].

Madam Speaker, we now have the opportunity to try and right the ship. It's painful. And I will say to a certain degree that I agree with the Fourth Elected

<sup>1</sup> Private Member's Motion No. 11/2009-10—To review and repeal sections of the Public Management and Finance Law (2005 Revision)— 2009/10 *Official Hansard Report*, pp. 583–592

Member for George Town when he talked about the pain. But when the mother country has to come down on us the way it is, and I remember back after Hurricane Ivan when these Islands literally sat in ruins, how we were treated. I said in this Legislative Assembly, Thank God my mother didn't treat me like that! Once again, this is not about the relevance, but it's just drawing back to the situation where we are today.

I know, and I understand what will happen if we don't do this. And the last thing I remember that was so devastating to these Islands which I seriously had concern about and up until this day it is sad for me to see when an <sup>2</sup>Order in Council was made doing away with capital punishment. These Islands have gone down the tube ever since. There is no deterrent, Madam Speaker, it appears to me. I don't know what will happen when the Human Rights aspect comes into this.

But, Madam Speaker, back to the Bill before the House, I just hope that at this time we now do what we need to do. Take this opportunity, all 15 of us, to sit and see how we can make this work for the betterment of these Islands and our people.

We look around us. It's not just Cayman in this economic downturn. When you look at what's happening in the great United States, Madam Speaker, in the last couple of weeks the Dow Jones has just been plummeting. They are constantly talking about the fiscal cliff. And God forbid if anything happens to the north what will happen to us down here.

So let us embrace this opportunity that what we are now forced to do, we take advantage and make the best of it and get back these Cayman Islands on a sound economic footing. Let us put politics aside and work for the best of these Islands.

Thank you.

**The Speaker:** Thank you, Second Elected Member for Bodden Town.

Does any other Member wish to speak?  
[pause]

I have had indications from both sides that they would like to break for lunch at this point. I will suspend proceedings until 2.15.

**Proceedings suspended at 1.06 pm**

**Proceedings resumed at 2.28 pm**

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

When we stopped for the lunch break the Second Elected Member for Bodden Town had concluded his contribution to the debate.

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.

Honourable Premier.

Do you wish to speak, Member for East End?

**The Premier, Hon. W. McKeever Bush:** Well, Madam Speaker—

*[Inaudible interjection]*

**The Speaker:** Thank you very much. I just wanted to be sure I hadn't missed your signal if you wanted to rise.

*[Inaudible interjection]*

**The Speaker:** *[Replying to inaudible interjection]* Yes.

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, can we *[inaudible]*.

*[Pause and inaudible interjections]*

**The Speaker:** This debate, the other Bills were taken off the Order Paper. Mr. Tibbetts' debate was concluded when we dropped the two Bills in the removal this morning. We removed those two Bills from the . . . Mr. Tibbetts . . . I beg your pardon, I should not be using his name, but he had an opportunity to speak on this Bill as other Members have had. I called for other Members to speak and I had no one respond. The House was called for quarter past two.

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, after much to and fro in this debate I rise to—

**The Speaker:** Excuse me, Honourable Premier, lest there be any inference that I deprived the First Elected Member for George Town an opportunity to speak, he did give me notice that he had a private matter to take care of this afternoon.

Honourable Premier.

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, I was saying that I am glad we are getting to a point where we can have a vote on this. Over the period of discussion on this there has been a lot said. I have paid attention to the long and varied speeches; I have paid attention to what each Member had to say in this debate. And I want to thank each one that was genuine in what they said. Some were more passionate than others. I consider this to be an important debate and what has come out of it has been somewhat amazing.

Madam Speaker, I always seem to have to be the one in Government to fight with hard decisions

<sup>2</sup> Order in Council, 16 April 1991

over my time in Government, and particularly matters that the United Kingdom has been involved with, Madam Speaker, that they had reason to demand of us. I do recall the Savings Directive Issue being one of the first that I had to contend with and take issue with the United Kingdom. I was told then by the Leader of the Opposition who was in the House at the time that I was wrong, that I was doing the wrong thing and that I was rattling sabers and that I just wanted to fight with the United Kingdom. Nothing could be further from the truth, Madam Speaker, as different administrations in the United Kingdom know that I have been fair, that I have been cooperative with them.

Madam Speaker, I can point back in my administration, and in this administration that we have passed more legislation that the United Kingdom has asked us to do, even against the wishes of some of our people who are opposed to certain things. But I was going to get the number and before it is all over I hope that I will be able to make a statement on just how much legislation my administration has passed because the United Kingdom Government wanted it. Serious legislation, as I said; legislation that members of the public opposed and Members of this House, including the Leader of the Opposition, vehemently opposed and objected to.

Madam Speaker, I can point back to the fact that I have had to take on the United Kingdom in the Savings Directive because we thought we were right. We took them to the court of first instance in Europe and we won. But I did that against the railing of the Opposition at the time, the leading speaker being the now Leader of the Opposition, who was a member of the Opposition at that time, the PPM Opposition. But it was the right thing to do to give our financial services the competitive edge that it needed.

And then we can't forget the Eurobank fiasco and the taping or the bugging of the Chief Justice's telephone. And with that operation I had to fight with the then [Mr.] Ballantyne. It was the same Leader of the Opposition who is vehemently opposing and berating me in this debate, and has been doing so ever since I've known him. He's never been a partner of mine in any shape or form. But, Madam Speaker I will never forget that he was the one that went to the papers and said that he had spoken to Mr. Ballantyne, and had a discussion with Mr. Ballantyne in his professional capacity being a lawyer. Well, what was he doing or why? And of course he came in here and he berated me because we refused, the House refused to accept Mr. Ballantyne.

So, Madam Speaker, when he comes here to point his finger—

**The Speaker:** Would you refer to him by the former title he held please?

**The Premier, Hon. W. McKeeva Bush:** Sorry?

**The Speaker:** Refer to him by the former title he held in this country.

**The Premier, Hon. W. McKeeva Bush:** Well, he was the former Attorney General. But he was David Ballantyne, the former Attorney General.

And so, Madam Speaker, yes, at times I have had to take issue with the United Kingdom. But they haven't found a more willing more partner than myself. In fact, in this instance I gave the United Kingdom credit that I believed they were right because of the mess that I found, and in the situation that continues to exist. I thought that the FFR was the right thing. There were certain things that I didn't like, but I didn't oppose them in it. What I opposed was the fact that I felt that there was no real partnership in it. If you and I are partners and you did something wrong, then you have the liability, as much as I have, and you should stand responsible for whatever you do. And that's the only thing that I saw because there were only two issues: I thought that \$10 million was too low, and I agreed with the Civil Service on that, that \$10 million was too low. And then I thought that they needed some responsibility, to be held accountable if the time came. And I am going to show this House why when I get to that point when I say those sorts of things.

For the Leader of the Opposition to come now to try to make people believe that we were doing the worst things in the world, certainly, he painted the worst scenario. I think he laid out his election platform quite well. That's what he did in the last couple of days, and particularly this morning he summed it up.

Madam Speaker, the problem with the Bill was, 1) we overall said, *Look, this . . .* and again I repeat it was the two issues. That's what the Cabinet has. But I can only coax, I can only discuss, I can only beg Members of this House to vote. Even in my party, I can't force anybody to vote. That's why, if you look at the FFR it says . . . I think it gives an indication . . . he said, this FFR says, in paragraph 4, "**Subject to the agreement of the Legislative Assembly. . .**" *Subject to the agreement of the Legislative Assembly*—they understood that I can't come down here and force anybody to vote. And if I was the dictator that they say I am and that the PPM try to paint me, if I were this big criminal that they try to paint me as, then I would have this whole House come down here and do what I want. But that's not the case. That is not the case, Madam Speaker.

So, Mr. Bellingham and the UK Foreign Office themselves recognise that this House has to vote for it and that I have to be dependent on this House as much as Mr. Cameron or any leader in our kind of democracy; has to depend on their members and on the legislature. I can't come in here and force anybody to do anything.

Madam Speaker, now he came in here today . . . I am only going to deal [with it] today right now for a short period because he just summed up basically

what he said the other day. But he came in here as the new Alden, the reformed Alden McLaughlin, the Third Elected Member for George Town, the Leader of the Opposition.

*[Inaudible interjection]*

**The Premier, Hon. W. McKeever Bush:** A new man, Madam Speaker. (I will agree with you.)

He came here as a new man. Can you believe that he had the audacity to come here to talk about what transpired in 2008 and 2009? And that I am not listening, that the Premier (or, he called it the "Peemeer") comes in here and thumps his chest and says, "I am the Premier"? No, Madam Speaker. I didn't do that. I have always defended the Cayman Islands. And when I took my oath in the front of this Legislative Assembly in 2009, I said that was my first responsibility. If I saw the excesses of anyone I have to stand up for this country. And I don't believe anybody to be an angel, Madam Speaker. We must first understand that we are competitors of the mother country, and that we have paper agreements that merely keep us together.

Now, I respect them, I work with them, and we try to . . . we have to get along, Madam Speaker. But that does not mean that I have to let any one of them get an inch more than is necessary over the good of the people of these Islands. I will always respect them. And nobody can say that I don't respect the Queen. When it comes to Her Majesty the Queen, Madam Speaker, I am a loyalist, a royalist, whatever they want to say. I have found her to be a gentle lady. She is the Protector of the Commonwealth. I found that out.

And so, Madam Speaker, when it comes to various Governments I have to take them by their policies in the United Kingdom. And some of their policies have not been kind to the Cayman Islands. I found Mr. Bellingham wanted to do good things, help us. But they made it plain that they want their companies to have business here. They made it plain.

Now, the Leader of the Opposition came here with all his righteousness like he has been to the altar cleansed and forgiven. Madam Speaker, [he] came here to talk about 2008 and how much I rattled sabers and how good he was. Was it not he who said that it would be only Almighty God, divine providence, divine intervention, that would stop him from putting down his monstrosities that he put up there that we didn't have the money to do? Only God, he said, Madam Speaker. He wasn't going to listen to Stuart Jack, the Governor, or the UK. He never listened to them.

Was it not my good friend, the past leader of the PPM, the First Elected Member for Bodden Town . . . George Town—

**Hon. D. Kurt Tibbetts, First Elected Member for George Town:** He got me all over the place.

**The Premier, Hon. W. McKeever Bush:** He might be all over the place, can't figure him sometimes.

*[laughter]*

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, wasn't it him who stood right here where I'm standing in 2008 when I told him, listen, this thing is falling down on us, don't you see what is happening in the United States; aren't you paying attention to *Bloomberg*, aren't you paying attention to *CNS*—

*[laughter]*

**The Premier, Hon. W. McKeever Bush:** To, to . . . well, they were paying attention to *CNS*!

*[Inaudible interjections and laughter]*

**The Premier, Hon. W. McKeever Bush:** But wasn't he paying attention to *CNN*, to *Bloomberg*, to *NBC* and *MSNBC*? Wasn't he reading the *Financial Times*? Wasn't he reading the various financial magazines? I do. I get my guidance there.

But was it not them? Was it not the First Elected Member for George Town who stood here when they were spending the money and said to me, *Not on the kindest of mornings would I listen to you?* Didn't he say that?

*[Inaudible interjection]*

**Hon. D. Kurt Tibbetts:** Ellio behave yourself.

**The Premier, Hon. W. McKeever Bush:** Madam Speaker—

**Hon. D. Kurt Tibbetts:** Ellio you are going to regret it; you hear me?

**The Premier, Hon. W. McKeever Bush:** They seem to forget, Madam Speaker, that they were the Government before me. They forget that conveniently. They did their damage. Every one of them did their damage. And then now come to curse me and blame me, point the finger at me, and carry on. No better position, he said, the country is in. I am going to show them, Madam Speaker, before this evening is out. I am going to show them how they left the country.

He made the call, Madam Speaker, that we should be doing better. He said the world economy . . . and it's the Premier's fault now. He said I didn't turn the economy around. What I said, Madam Speaker, in my time in campaigning was that I can get projects that would help the country. That's what I said, Madam Speaker. And, Madam Speaker, I went out and we got those projects. And the Leader of the Opposition is right. Had they supported us, rather than getting on

the radio every day, sometimes two times a day, and then the television besides that, and then coming here and berating me besides that, if they had supported me, the same call they are talking about working together now, Madam Speaker, if they had done that, hundreds of people would be working, thousands of people would be working! But they didn't do that.

We went and got the Shetty hospital. Didn't they oppose that, Madam Speaker? Yes. And they say we weren't listening to them. We had to listen to them, Madam Speaker. They might not think that we listen, but we do; at least I do. When they speak I listen. And if there is something I can use, I use it. But they opposed the Shetty project. Don't forget it. Everyone on that side had questions about it. Everyone got up and talked about it.

#### Point of Order

**Mr. V. Arden McLean:** Madam Speaker, Madam Speaker, on a point of order.

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, Madam Speaker, I will give way. But I hope they have a genuine point of order.

**Mr. V. Arden McLean:** Madam Speaker, the Premier is saying that everybody on this side opposed the Shetty hospital. He has to bring proof or withdraw it, because I supported the Shetty hospital. And there needs to be proof now, or withdraw it.

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, the Member said several times on the radio that he didn't think it was a good idea for this country. He changed in the last going off, I agree. He now supports it. Or at least he says he does, you know. But I can tell you, when we started he was on the radio with the Member for North Side saying different things about Dr. Shetty. People will remember what they said, you know. I ain't going to utter it in this House. He was on that platform, and if he wasn't then say now that he did not agree with the Leader from North Side.

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

**The Premier, Hon. W. McKeever Bush:** Now he must say so.

**Mr. V. Arden McLean:** Madam Speaker, I never one day opposed the hospital on any public media in this country and the Premier must withdraw it!

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, if he sat on the radio with the Member for North Side, who replaced Dr. Shetty (the "e" with an "i") if he was there that morning and didn't correct or

didn't correct him or chastise the Member, then he had to be part of it!

*[Inaudible interjection]*

**The Premier, Hon. W. McKeever Bush:** And I am saying, Madam Speaker, that the whole group of them did not give us any support for it!

**Mr. V. Arden McLean:** Madam Speaker, I would like a ruling on it because I never once . . . the Member for North Side . . . the fact that I am sitting someplace with him . . . he can say what he wants. [It] has nothing to do with Vincent Arden McLean. If he wants to say something, that's entirely up to him. I did not say so, and I want it withdrawn! Or he has to prove it.

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, Madam Speaker—

**Mr. V. Arden McLean:** Or he is going to bring the—

**The Speaker:** There are two Members on the floor now.

**The Premier, Hon. W. McKeever Bush:** I am not . . . I said what I said just now just to give me a chance to explain.

**Mr. V. Arden McLean:** *[Inaudible]* now you are going to prove it!

**The Premier, Hon. W. McKeever Bush:** In the first going off he was part and parcel of the group that was saying no. They said, *Oh, another old UDP programme; a gimmick, you never see it.*

Now, in later months the Member came back and I think he offered support. From the time the dock was being put up there he opposed . . . he started supporting the hospital. So, yes, . . . but I said in my opinion . . . and I know what I heard. Plus, Madam Speaker, the two of them were on the radio on a Tuesday morning, talking about it. And I am saying not one Tuesday morning, but more than one Tuesday morning.

**The Speaker:** Can we move on from the subject please (the hospital), and move on to the business of the House that is before us?

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

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

**The Premier, Hon. W. McKeever Bush:** And so, Madam Speaker, I brought projects—

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

**The Premier, Hon. W. McKeever Bush:** —I supported projects, over and over and over again. I brought that. I supported that. We went to India and we supported that.

Madam Speaker, are you rising?

**The Speaker:** I am rising because there are two Members on the floor on their feet.

I have said what I had to say. I am asking the Premier to continue his debate. If there is some issue concerning what was said, he is stating that it is in his opinion that you opposed it. He has a right to his opinion.

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, I went to India and my colleagues went to India and we supported that project. And so, Madam Speaker—

*[Inaudible interjection]*

**The Premier, Hon. W. McKeever Bush:** *[Replying to inaudible interjection]* You are going to have more to holler about when I finish!

*[Inaudible interjection]*

**The Premier, Hon. W. McKeever Bush:** Madam Speaker—

**The Speaker:** I would like the crosstalk to finish please, and I would like us to move on with the debate. We have a very important issue being debated before this House today. And we need to stick to what is in this Bill and get ahead with it.

**The Premier, Hon. W. McKeever Bush:** Madam Speaker—

**The Speaker:** It's time to leave some of the rest of this—

**The Premier, Hon. W. McKeever Bush:** I am sticking to the Bill—

**The Speaker:** —superfluous stuff out.

**The Premier, Hon. W. McKeever Bush:** I am honoring your wishes, Madam Speaker. I am replying to the debate which I am duty bound to do.

**Mr. V. Arden McLean:** Well stop telling lies.

**The Speaker:** And you will watch your language on that side.

**Mr. V. Arden McLean:** Well everybody else does it.

**The Speaker:** Please, Member for East End. Please do not—

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

**The Speaker:** Please do not get into a confrontation this afternoon—

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, let—

**The Speaker:** —we have important matters to do. We are debating an issue that is going to affect this country. Please, let's get on with the business.

**Mr. V. Arden McLean:** *[inaudible]*

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, we know our friend from East End, the Member for East End. We know how he gets. He can give licks, but he can't take it. And when the kitchen gets hot, if he can't take the heat then he should leave.

**Mr. V. Arden McLean:** Not lies!

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, we went out and we supported that. We've broken ground and work has started and there are still things to do. But Caymanians will get work out of it. And it's going to be good \$2 billion in 10 years to this country.

Then we went out, Madam Speaker, I looked at the whole matter of the sewerage. The sewerage wasn't working, Madam Speaker. So we proposed that we would put that out to tender. We set up a group that was accepted by the then Governor and we sent that out and they set up a whole system. We went through the whole tendering procedure, and it was rejected, for what reasons. Madam Speaker, for what reasons? We went out and hundreds of people . . . it would have been a thousand people working if they had allowed me to finish, or to get to a place where we could have a new sewerage system in this country; truckers, welders, plumbers, carpenters, cement people, backhoe drivers. Name them and nearly every group in this country would have had work on that thing because that's a big, big [project].

Madam Speaker, up until now, can't get to pass it. Why? Because there are people in this country who didn't want to see this administration get anything done no matter how much it affected the people of this country. Oh, the Leader of the Opposition is squealing now because he is five months, six months away from an election. He wants to make the people believe that he was doing everything for them. He was doing it all right; he was shoving them further because I could not get anything done because I was being opposed on these projects. So if they come to talk about the projects, let me talk about them.



Madam Speaker, the same thing with the dock. And I am going to deal with them more extensively because those Members said all sorts of things in this House. The dock would have been started a long time ago. It's not that I don't want process, Madam Speaker, but just look at it! He's the one saying that things have changed in the world. Of course things have changed! Cameron himself said that they are cutting 1,000 pages of Planning because there is too much bureaucracy so that their economy can get going. There are other things that they are putting out there that are not going out to tender. Read the news. And who are they doing it with? The Chinese.

And so, Madam Speaker, that could have been started a long time ago. The truth is, Madam Speaker, I got tired of this, as I got tired when the UK told us to get rid of the [Government] Administration Building, put that out and make Caymanians buy into it and take that money and pay down the loan. Was the UK wrong in that, Madam Speaker? And if the FFR wasn't about that, then, Madam Speaker, why would the UK say take that money—they wouldn't even allow us to use it, you know—and pay down the loan because we had too many loans and too many projects that we couldn't pay for. Were they wrong in that? Well, they carried on, *Oh, McKeeva is doing that, somehow he is getting something out of it.*

Madam Speaker, the truth is that when this whole FFR got to a point, my family had enough. I was being threatened. My wife was getting sick about all this talk about demonstrations and all these sorts of things. So much so that she had to seek medical attention. And you know what I said? I said with that what I said about the [Government Administration] Building. Do they believe that I am getting something out of it? If they believe that, let me stop it! Let me agree with the UK and stop it. And I did. Now, what are they going to say? Oh, it's my fault now. Well, I'll deal with it in a few minutes.

Madam Speaker, on the FFR I am going to vote for it. My Cabinet is bound by collective responsibility. They will have to vote for it. I can't do any more than that because I am not a dictator. I can't force my Government even to vote for it. The problem is this, with the Opposition: They are sorry that I changed to include the regulations. They think I don't see the strategy? They said they wouldn't vote for it when I was making my calls for accountability of the United Kingdom. So they thought they had a good excuse then not to vote for it to try and show me up. Oh, they said it's not in the regulations. Now that the regulations are here, I threw a wrench in their spoke. Now they have to come back, bite their tongue and say what a good thing it is and lay blame on the Premier.

They weren't going to vote for this man to man, they wanted a way to get out of it! The two that I thought were very genuine in what they said, were the [First Elected] Member for Cayman Brac [and Little

Cayman] and of course, the [Second Elected] Member for Bodden Town who I think in all those things has always put down his marker. But the rest of them on that side . . . they play games like little marbles. They know when to spin them; marbles and gigs. They know when to spin them.

Now, my good friend, the First Elected Member for George Town, if we listened to what he said, then, Madam Speaker, it couldn't have been that what I did was such a bad thing. He said that we had to do this. That's what he said. And he's right. So I take him out of that equation; I am not going to put him in the same box with the Member for Cayman Brac and the Member for Bodden Town, because he usually goes a different path sometimes. But I will give him this: he was different in what he was saying than his Leader of the Opposition. And don't ask about the two Members to my far right up there in front of me. They play their games like you wouldn't know. They too got caught. I hope they're going to vote for it now that we've done what they said.

Sometimes you have to do these things, Madam Speaker, to get people. Remember the story (you're the teacher, Madam Speaker) of don't throw me in the briar patch—*Br'er Rabbit?* "Don't throw me in the briar patch," when they tar-babied him. "No, no, no. Don't throw me there." But that's where he wanted to go. That was the only way he was going to get out!

Madam Speaker, I want, firstly, to spend some time to point out to this honourable House why it was more sensible to put the procurement sections of the FFR in the amended regulations and not in the Bill. Madam Speaker, let's deal with our existing financial regulations, because it's not a law. They are regulations. They don't come to this House to be voted on.

Part IX of the Financial Regulations (2010 Revision) is titled "Procurement." If you look at this section of the regulation you would see the detailed government's procurement and tendering procedures specifically on the preference to local suppliers, the requirement to tender, the pre-qualifying tender process, which includes the processes carried out by the Central Tenders Committee, the main tendering process that we have. Then they have the tender process and the evaluation of tenders.

In addition, Part XII of the Financial Regulations is titled "Capital Project Appraisal" and specifies the steps that the government must take in order to have capital projects appraised. The FFR, sections 12 to 24, addresses the requirement for value for money and it details the five key stages that the government must undertake when planning, developing and executing a project. Appraisal and business case 1; 2, procurement; 3, contract management; 4, delivery; and 5, evaluation. Why then would the Financial Regulation be apart by itself and not the Bill?

Madam Speaker, there are no sections under the Public Management and Finance Law that deal

with procurement or tendering processes. None. As I just pointed out, all procurement tendering and capital appraisal processes are specified under parts IX and XII, as I just pointed out, of the Financial Regulations. It therefore made sense to place the procurement and tendering processes as a requirement in the FFR in the Financial Regulations as the existing procurement, tendering and capital appraisal processes are already in the Financial Regulations. However, the United Kingdom has said that it wanted a Bill that the whole paper containing the FFR be included in the Bill. That's what they wanted.

Madam Speaker, the Government . . . you know they say I just passed this without anybody knowing. In fact, Madam Speaker, one of their candidates, Mr. Panton, was on the radio—

**The Speaker:** No names, please, Mr. Premier.

**The Premier, Hon. W. McKeever Bush:** He's not a Member of this House.

**The Speaker:** He's not a Member of this House, but please do not call anybody's name in here, from the private sector.

**The Premier, Hon. W. McKeever Bush:** Well, Madam Speaker, the rules say I can, but I am going to go by you. The rules say I can call their name, but I will go with you.

But one of their candidates on the radio said that I went and did this overnight and nobody knew about it. And he was with the Leader of the Opposition a few days ago. Madam Speaker, can any one of them be do dirty, so mean, that they want power so bad that they can try to make people believe that? Madam Speaker, how many times . . . the Hansard is replete with the many statements that I made here about it, that I went on the radio about it. How many times, Madam Speaker? Was it not on the website?

The Government took the business of reviewing the FFR very seriously. The Government sought and received feedback from leading private sector lawyers whose specialty is in financial services. The Government also sought and received feedback from leading bankers in the Island. In addition, the Government also sought feedback from the Financial Services Council, the one that I put in place, the one that wasn't there when the Leader of the Opposition was the Minister responsible for financial services. This all indicates that the Government deliberately, carefully in its review of the FFR, took the point that I must get solid information on what I was doing. And it took time to have necessary discussion. I could not go and do this just over night.

Madam Speaker, the Leader of the Opposition has tried to tie this to Cohen and in my attempts to try to get the economy going and get people to work, all the things I have tried to do to save Cayman money

and get people to work, he's tied it to all of that talking about procurement and talking . . . trying to paint me as a crook, Madam Speaker. That's basically what they have been doing.

The United Kingdom Government, Madam Speaker, started talking about some sort of guidelines because of the previous conditions existing in late 2009 when I took over the Government. That was when they started talking about it. Then during the course of that time I alerted the caucus, I alerted the Cabinet, I alerted this honourable House (and it's in the records), and I alerted the country via various news media, through statements in the House, on the radio and other media. That review started in earnest in mid-December 2010, after the current Government in the UK got in and the Coalition Government was in place. It started with the Labour Government talking about some sort of guidelines and new processes because of the situation.

I had to remind the Labour Government that it was them and their Governor who sat down and made the PPM do what they did. But they started talking about it and nothing was done until the new Government took over in December 2010. And that was concluded in November 2011. Madam Speaker, as I said, I consulted the best I could. I consulted. I had my concerns, but I consulted.

The objectives of the FFR are provided in paragraph 6 of the document and it says to have, 1) Effective medium-term planning. And this is achieved by means of a more robust and comprehensive strategic policy statement—budget. 2) to achieve value for money considerations, and this to be achieved by means of enhanced procurement procedures and evaluations and assessments of *projects*—just dealing then with the two high schools, well three high schools, and the Government Administration Building. That's what we had to face.

And 3): to effectively manage risk. And this is to be achieved by the means of definitions and limits to Government and the wider public sector *borrowing!* Who were they talking about? Me? No, I had just gotten there. They were talking about the Leader of the Opposition! All those things! That's how it came.

Madam Speaker, whilst there is no doubt that the FFR addresses the topic of procurement. It is also most concerned about the fiscal performance of the Government. That is what the FFR is all about. And, Madam Speaker, it is a pity that the Leader of the Opposition is not here at this point in time. It's a pity. They are running out of the House up and down like yo-yos.

Paragraph 2 of the FFR starts with the words . . . look at the FFR, paragraph 2. It starts with the words, "Restoring prudent fiscal management . . ." The operative word here is "restoring" which means that prudent fiscal management had been lost previously. Let me repeat that: The operative word here is

“restoring” which means that prudent fiscal management had been lost previously. Read the document!

Madam Speaker, what the PPM is hoping . . . they know that the ordinary public will not read this document so the Leader of the Opposition in his usual style is trying to make me the laughing stock, 1); and 2) that I am a bad fellow; and 3) to say how bad things are. So they will say anything. But this is all about the budget and how they left it and not even Almighty God, divine providence, he said, could make him change.

Let us consider the origin of the FFR when the Framework for Fiscal Responsibility was drafted and given to the Cayman Islands for review. This was in mid-December 2010. The previous fiscal year was the year that ended 30 June 2010—the Budget. And the year prior to that was the year ended 30 June 2009. And it's no wonder that my friend, the First Elected Member for George Town, could say, *Let us forget about where the blame lay, let's look at the future*. I was prepared to do that, Madam Speaker; that's why I didn't carry on and on. I want to move forward. And he said the right thing; *Let us look at the future*. But the truth is I can't. I cannot let go what has been said, in particular by the Member for East End and the Third Elected Member for George Town, the Leader of the Opposition. No, no, no. I have to answer them.

So, the previous fiscal year ended 30 June, and the prior year to that was the year ended 30 June 2009. So it is important to inform the public of Government's fiscal performance in those different financial years, because he is saying that it's my bad management, and how I lied to the people—mind, this is what he said—how I lied to the Foreign Office and how much they dislike me. I don't live because of their likes or dislikes. They come after me, I have to defend myself.

Madam Speaker, the core government's operating deficit in the year that ended 30 June 2009, the unaudited result is this: the entire public sector operating deficit was in the region we are saying of [\$]81[million], but when you get it you would see once, Madam Speaker, it was showing [\$]81[million], but once there are adjustments by ministries, portfolios, offices, statutory authorities and government companies in the submission of their financial statements for auditing. So, it would be around \$70 million total core government. And that was them. Deficit! Not McKeeva Bush. It was their handling of this country. It was their handling of the government's money. And he wants to run around this hall, this Chamber, like he's God or Billy Graham. Undoubtedly, Madam Speaker, there will be a significant deficit for the year ended 30 June 2009 when it's all done.

In the year ended 30 June 2010, the unaudited amounts are as follows—now, this is my first year as the Minister responsible for Finance, myself and the Financial Secretary: the core government's operating deficit was \$20.6 million; statutory authorities

and government companies operating deficit was \$5.7 million. And the entire public sector's operating deficit was \$26.3 million deficit. But that's an improvement of whether it's [\$]70[million] or [\$]81[million]. It is an improvement! He can't come here and say that I had done so bad that the UK had to come down hard on me. It wasn't because of these budgets for me as Minister of Finance. It was not! These are the results on paper by the Auditor General, not me.

So, when it comes to that, Madam Speaker, it is the opposite really, because I improved the government's financial position, moving it from [\$]70[million] or [\$]81[million] deficit to \$26.3 million. And I know at least the three PPM Members that are sitting there know that what I am saying is true. They know it. All three of them know figures, as the old people say.

In the year that ended 30 June 2011, last year, the unaudited results are as follows: the core government's operating surplus was \$20.9 million; statutory authorities and government companies operating deficit was \$2.9 million and the entire public sector operating surplus was \$18 million.

So, Madam Speaker, again, he has said, *Oh, that's not true*. Well he would say that, Madam Speaker, because he knows that the ordinary public will not see the document. He knows that. And they have spread enough to make people believe that all things are bad. But, Madam Speaker, we were diligent. We cut back, and we cut back and we cut back. And so, Madam Speaker, it was at that point in time that we had taken the civil servants' raise, they had given up their raise. And I have told them, Madam Speaker . . . and he's complained about that. He said that was one of the things that the UK didn't like me for, because we had told the civil servants that if we make a profit we would try to give them back . . .

*[Inaudible interjection]*

**The Premier, Hon. W. McKeeva Bush:** We told them we would give them back the 3.2 per cent. And the civil servants expected it. I know some people pay no regard to them. While we have some that are perhaps lackadaisical, we have some tremendously hardworking civil servants in this country that if it weren't for them this country couldn't move forward. Let's give the Devil its due!

So when the Leader of the Opposition says that I did the wrong thing, well, that's his belief. But it's not fact. It's not the right thing. I promised them that if we made a profit we would. And we made \$18 million real surplus. Now, they can say, *Well, you didn't do certain things. You didn't put the money in for pensions*. Well, no. We couldn't! And we were allowed not to at that time.

Now, Madam Speaker, let's look at the year that ended this year, 30 June 2012, and what these figures show. The core government's operating sur-

plus was \$4.7 million; the statutory authorities and government companies operating deficit was \$2.8 million; the entire public sector operating surplus was \$1.9 million.

Madam Speaker, in this environment, which he himself says exists, that is a good record. Now, anybody can point and say, *Oh, the Government could have done better*. But look at where we have come from and look at the environment that we are operating in. I am not about to go and send 600 civil servants home like they want. I can't do that in the first instance, but that's what they wanted me to support. I couldn't do that. And so he says that I did the wrong thing. And he tries to say that because my budgets were up and down . . . yes, we had surplus and we had deficits in the last four budgets. But it was because of the situation we found and because of the way we said to the civil servants, *Help us with this and we can save some money*. And we did have a surplus.

So, there is no doubt that the fiscal performance influenced the United Kingdom Government's thinking when it developed the FFR document in 2009 and 2010. But who would be so boldfaced and idiotic to proclaim themselves sensible to say that the years up to 2009 were not cause for concern to my Government, cause for concern to our people, and cause for concern to the United Kingdom? Who would say so? Who, except the PPM and the Leader of the Opposition. All of them! Who?

The record stands, Madam Speaker. What he is hoping is that I get so tied up and so persecuted and everything else maybe, that I can't get out there and let people know. I can't speak to the radio every day. I can't get on television every day. I have no good PR—none! So, Madam Speaker, people who know . . . he can continue to say what he is doing. They got the people on Facebook, they got the people on Twitter, they got the people on Rooster, they got the people on *CNS*, and sometimes the *Caymanian Compass*. But you can see, even though when they agree with me they wouldn't call my name, as in yesterday's or today's editorial. They say it's a good thing, but they won't say the Premier did the right thing. I don't know if they said it, I don't think they did. Perhaps they did. Madam Speaker, he's hoping that I can't get it out to the public. And maybe he's right. Maybe I will be so tied down with the country's business that I can't get out there. No, I can't; impossible.

Madam Speaker, once again, there is no doubt that the Members of the Legislative Assembly and the public knew fully about the FFR and its contents. At least all Members had that ability. They had it where they could see, where I told them about it. Members of the Legislative Assembly have had in their possession, for months if not years, for quite some time anyway, a copy of the FFR. They have had it. The Hansard also indicates considerable reference to the FFR, as I said earlier.

Madam Speaker, as I said, the FFR was also posted on our website. I consider that Members of the House are very familiar, very familiar, with the FFR document. Oh, what tangled webs we weave when we seek to deceive.

Madam Speaker, what we have here is the final version of what the amendment to the Public Management and Finance Law will be. The first Bill had the two amendments to the FFR that were suggested during the negotiating stages last year. That didn't just come up, Madam Speaker. I reiterated that. I told the UK in London, *Look, I don't agree with this. If you are my partner, then you must stand responsible for what you say and what you do and what you force us to do*. And so I wanted that in there and I wanted it from then. Don't tell me about I can't fight them. I know I can't fight them; but I can ask, and I can row and I can hold an argument. Well, that's bad? Well, it may be in some people's book. But that's all I can do.

The FCO was adamant against my addition which brought accountability on their side. They were adamant against it. But the second Bill was what the drafters thought a Bill should be drafted (the Cayman drafters, legal people here for the Government). But the FCO had other ideas about it and wanted the entire FFR document to be included.

The present Bill is the one the FCO is now satisfied with, although it is not the conventional way of drafting anything into law.

I have explained the Government's position and I read the entire FFR as it is. Madam Speaker, I have done what I could. Now, we have heard the ranting of the entire Opposition. We have heard the excuses as to why they were not going to vote for it. Well, I hope they are satisfied now. I think, as I said, they are biting their tongue.

Madam Speaker, we have heard them give the reason why the FCO has insisted on the FFR and, of course, they say it is because of the UDP and our way of doing things. But I am showing, and I hope people listening will understand, what obtained then and what obtains now. But, Madam Speaker, they should and must admit how much they were culpable and how much harm they did between 2005 and 2009 to bring us to where the FCO can do to us and demand of us what they are doing. They can only do it because they broke the law! The PPM broke the law—all the ratios that we must remain in as a country. And he has the audacity to talk about board rooms and what the people are saying? Yeah, he can talk a little bit about it because he now knows that the people of this country understand him. That's why you have a thousand candidates who say they're independent. That's why, because they know what he did and they don't want him. And if they don't like me, well, so be it; but they don't want him.

So he is up there bragging about the board rooms. I want to know which board room he has been in. Anton Duckworth is his chairman? I don't know, but

according to what I have been hearing across this country, not too many want the Leader of the Opposition. Not too many. And they would have stood a better chance with my friend over there, but not him. And that's his worry! He has to paint me black. He has to paint me dirty in order for him to survive! I know their types of politics.

Madam Speaker, no matter how much the PPM in all its glory blackgyaads me, no matter how much they screamed that McKeeva is bad, and all of Cayman's problems are because of McKeeva, no matter how much they help to paint me crooked, I am not and have never been. But, they and others will continue, Madam Speaker, because the only way they can succeed is if they can convince other people and ruin me one way or the other. That's how they can beat me.

According to the PPM, I am going to be voted out. They began their life as a party that way and now others have come along to help them because McKeeva is not a lap dog and McKeeva is defiant and McKeeva can't be controlled. I have never been that way. I give and take. I take my licks. But when it is good for this country I stand up and I will continue to do so, Madam Speaker. This is where I was born and where I am going to die!

Madam Speaker, I have made mistakes in my life, but I have committed no illegalities. I have committed no illegalities against these Islands. Instead, I have sought to protect it from the excesses of those all around us, those who wrote things, or write things to damage us. And they will continue because I stand up against them. They don't know anything about these Islands. They just come here. They don't know anything about us. What they want to do is find Anancy stories and make more mountains out of molehills, take my name and scandalise it, and they're enjoying it!

I stood against them and I stand against those who have a different agenda than the Cayman Islands have. And those who would sell their grandmother to be the Premier, I stand against them. Let me say it again for the Leader of the Opposition and the Member for East End. They can cut each other's throats if they want, and they can play the Russian roulette that they talk about, but, Madam Speaker, where has it gotten them in this life? Where?

**The Speaker:** Can we move on, though, please? We're running very late and we are saying the same things over now.

**The Premier, Hon. W. McKeeva Bush:** No, no, I am not saying the same thing, Madam Speaker, please. I was abused in this House and I just sat and took it. Now I have to reply to what they say. And please, Madam Speaker, I need my time to reply.

**Mr. V. Arden McLean:** You can't revive the Bill.

**The Premier, Hon. W. McKeeva Bush:** I am not reviving the Bill; I am repeating, or replying to what was said here. And you don't want me to, just listen and you wouldn't want some more either.

Madam Speaker, I think I am completely within my rules of the House and I will bow to your ruling, but I need my time to get to the public of this country through the television because that's where we are at. The things that were said, I need my time to reply.

This Island is no better off by what is going on. None! It is not better off. But I am not concerned about general elections as the time gets closer and we have our general party conference in January, Madam Speaker, because they talked about . . . and now if I have to do this I will do it. But they talked about who doesn't have confidence in me and my party. When the time gets closer and we have our general party conference in January, it will be sufficient time, and by then I will make the people know where I stand.

I have capable young people in the UDP and there are a lot more in the Cayman Islands who can take up the mantle and move forward. By then, those who support me already know to expect anything to be used against me, including trumped up charges, other lies and only God knows what else. We know everything is being timed as with the press statements and arrangements and other ranting on the radio, papers, TV and in this House by the combined Opposition.

Madam Speaker, however, in the long run, even if I lose the battle we will win the war as the people will decide. And one day the truth will come out. And I have been looked at, turned over, kicked and everything else. At the end of the day I had to come out and say . . . what? Done me anything? No. Done nothing, that's why.

The Opposition hasn't learned, Madam Speaker, that they are playing with the future of these Islands. Just look at what the Member for East End and the Leader of the Opposition have been saying. Every minute they talk about the Turks and Caicos [Islands] and try to equate Cayman with it. And, of course, they keep pointing their fingers. Let me tell these two Members, and if CNS, in particular, wants something to write about and call investigations on, let them look under the rocks in the bank accounts and the blocked out pages of recent history.

Let me tell them, I have never taken anything from anyone; I have never pushed anybody's children down to further my own. I have helped them. Nor have I ever used the laws of these Islands when I ought not to have done it! Nor have I ever fronted for any one or any company. I have never been removed from Cayman Airways flight by police for beating up anyone, breaking anyone's arm. I wonder why there was no investigation on that! Otherwise can the Leader of the Opposition say the same?

Madam Speaker, I listened to them berate me the other day here. For 37 years I have been in my house, not neglecting my wife or my family, nor abusing her, nor abandoning my children. Those who live in glass houses should run and hide when they talk about personal integrity or wrongdoing. They want to question my integrity? Let them look! I have never fronted for any law firm or any other firm. I have one little business, and they are investigating that to pieces.

I have never fronted for any law firm, writing signoffs for Conyers of Bermuda, who were not then allowed to do business in Cayman but using Cayman law against the wishes of the Cayman Law Society and the Caymanian Bar Association in these Islands which took bread out of young professionals' mouths. The Leader of the Opposition should hang his head in shame when he's talking about selling out Cayman.

Sell out Cayman, Madam Speaker? I only want what is good for these Islands and get people to work and let them pay their bills and feed their children and educate their children. And if Government can put aside some money, make Government help them.

Now, Madam Speaker, let me just say also, when they want to talk about personal integrity and point their finger at me. Never have I set up as long as I have been in here—28 years—or intended to set up any business for any family member of mine—brother, sister, cousin—to get Government business, whether it be the George Town dump, or a road in West Bay, East End, or North Side or elsewhere. No! I don't let my family get involved. Business, nothing from Government—nothing, not even a red dollar for my children to go to college with, Madam Speaker! I did all that myself. And they stand here and attack my personal integrity and attack it day and night in this House? Or they think that I don't hear and I don't read and I can't listen. Oh, I see it; I hear it!

Let the combined Opposition understand that I can stand my ground and defend my record in this House in a court of law or anywhere else. If the powers that be were worth their salt, rather than investigating McKeeva or anything I had to do, there would have been investigations called on the last Government's administration in many instances. And if the Member for East End and the Leader of the Opposition want to continue to smear me they need to understand that they are not lily white. And while they have run and hidden for many years they won't do it any longer.

I am tired of it. I am tired of this attack about Turks and Caicos. They must know, Madam Speaker—the Bible is true, you know, "as a man thinketh so is he."

Madam Speaker, let me turn to the Member for East End. The Member for East End recklessly, in the highest manner possible, came here again pointing fingers and accusing me. Those matters were ad-

ressed by the Cayman Management Board Team of Cayman Airways. They came here to explain, but, Madam Speaker, this current manner of opposing in these Islands just doesn't seem to care how much damage they do to the country as a whole or to persons individually. I was accused of selling out the country. I was accused of selling 50 per cent of Cayman Airways.

It seems that from the highest echelons of authority from the Glass House permeating down to this honourable House into the press, it seems that it is kill, kill, kill; destroy, destroy, destroy. It is such a crazy, crazy game.

The Member for East End needs to understand that in seeking to damage me the country has suffered these last four years. You hear? It has suffered all right. And it will continue because of such actions. Yes, they have managed to block sensible projects I have proposed and the result is a serious fallout though, which was never seen before. The economy is improving a little bit. But the economy is not improving enough to where the man on the street is reached, the casual worker is reached, the man on the street. So look at what is happening; everybody is hurting.

Gun crimes, the gun is pointed in people's faces and at peoples' children is a commonplace happening and it would be better if we had a stronger economy. They cannot say that I didn't work at it, that I didn't bring the projects.

Madam Speaker, what the Member for East End did, this is not just . . . Cayman Airways is not just another government authority. This is a company that is in the most competitive business of aviation, airline business, which discussions of details before time publicly could put Cayman Airways at a destructive competitive disadvantage. Don't they understand that? What the Member did was the most foolish thing anyone could do!

They talk of \$6 million, that I lost \$6 million. I'm going to come to it. I didn't lose \$6 million, but I'm going to come to it. But I wonder, Madam Speaker, if Cayman Airways goes down, if you can't find the \$20 million or \$26 million to put into it, how much do you think that will cost us? Some people don't like us having a national airline. The fact is though, that if we don't have it right now, we are up a creek without a paddle with over 300 staff and a contribution of over \$200 million to our GDP annually. It is downright treacherous what they did and whoever gave him that document should understand that it's treacherous. But together they will do anything to destroy the Government. Anything!

Madam Speaker, the Leader of the Opposition and the Member for East End, in talking about me travelling too much, when they were in Government they travelled. You never heard anything about that. Their budget for four years was over \$10 million in travelling! Ten million dollars! When I go to Florida,

Madam Speaker, and Government hasn't spent \$1 for a hotel room for me because I use my own that I can stay at free. I get cussed for it too, by the way.

But they haven't learned, Madam Speaker. The Leader of the Opposition has not learned from his previous position as deputy leader of the PPM, when he didn't listen to the then Governor and others that we would end up on the OECD grey list and the serious consequences. He didn't understand. He didn't want to understand. They said Stuart Jack couldn't tell them anything. Do they think that people have forgotten? And now they say that I am up against the UK. I have always stood on matters of principle though, on things that they try to do us. I fought that! What were they fighting?

Madam Speaker, they don't seem to understand that the majority of business in the Cayman Islands is generated from outside of the Islands and it is important for the Premier, particularly one that has the kind of portfolio and ministry that I have—financial services, Cayman Airways, the dock, the airport, tourism and all the Caribbean affairs . . . all of that is my responsibility and more. They don't seem to understand that particularly in these very difficult economic times that I have to do everything possible to encourage investors and persons who may wish to locate themselves in the Cayman Islands to do so. You are not going to get it sitting down in the Glass House. You have to go out there and make sure it happens. And those times that we were not present, Madam Speaker, we got nothing done. We got put on the grey list. That's what happens.

And you know the millions of dollars? I know about at least two billion dollar hedge funds that ran from coming here, stopped coming here when that happened. I know about them. But the industry is not going out there and making a whole heap of noise because they don't want to highlight things on them. So the Member, he cannot be here this afternoon, he knew what I had in store for him.

Our economy depends upon foreign direct investment. The jobs which our people rely on in both the financial sector and the tourism industry and all the economic activity that is generated locally from these two industries are heavily reliant upon foreign direct investment which originates outside of the Cayman Islands. Maples and Calder has to bring it for them and that will give some people some work, but it's not going to bring it direct to the Government. And when the Government gets it directly then we can make sure the man on the street gets it!

If the Leader of the Opposition understood this while he was running the country our people would not be suffering the hardships which they are now experiencing from a lack of economic activity in the Cayman Islands. What is causing it? The finance industry is doing well! We bolstered it up. And they say how bad I am. What is it? Close to 30 agreements I have signed with international G20 countries. Thirty!

And I'm doing the wrong thing? I'm a bad Minister of Finance? They know how that is kept up over rating? How about maintaining our rating? Better than the US, better than some of the other countries in the region, if not the best in the region now. Was that because of bad management? If my budgets were bad would Moody's rate me so good? When I say rate me, rate the Cayman Islands. No, Madam Speaker! He is whistling in the wind, or whistling in the dark.

Madam Speaker, what does he want me to do? Sit here in the Glass House and listen to him call for civil unrest and making statements without any knowledge? No! That is not my job. I get on a plane. I have a meeting. Whether it's Taiwan, whether it's the Philippines, whether it's China, it is business for this country. It is about this country's business. And any person that takes over responsibility, no matter who it is, if they are going to do their job they are going to have to travel to do it.

He would do better if he had done the right thing. This is what creates jobs; that is what stimulates economic activity and assists our people. His utterances have the opposite result and are discouraging investment. And so the little man on the street will continue to have a bad situation if I don't get the economy going. And I can't get it going the way I was being kicked in the face and pushed down, accused, investigated and everything else.

The PAL discussion, Madam Speaker, was and is in the best interests of the Cayman Islands. The PAL Cayman Airways discussions, I call it CAL/PAL. Our national airline, and particularly all the staff employed by Cayman Airways, my job is to get the business for the country to benefit the country and whenever I travel it is for the country's benefit. PAL is a possible investor. Their owner is one of, if not the, biggest conglomerates in the Philippines. They desire to conduct business here. What is wrong with that, Madam Speaker? What is wrong if I don't tell the whole world that I am going to the Philippines tomorrow to discuss about CAL or that I am going to this place? No, I can't do that, Madam Speaker. I have to travel internationally without security. I have been told by security forces in other countries that I am doing the wrong thing because Cayman is not the little Island that time forgot and I am not just a washer boy, I am the Prime Minister for all intents and circumstances. *You are the Premier, and you should not be travelling by yourself. You should not be going to places without the . . . when you see the other people do, what they carry, five and six people with them.* I carry Richard Parchment, my political assistant, most of the time, or one head if it's dealing with a particular department. Richard can't help me. If they stomp their foot at him he is going to break running.

[Laughter]

**The Premier, Hon. W. McKeever Bush:** He is my help. Without him I couldn't survive. But he is not security. He has to defend himself!

**Hon. D. Kurt Tibbetts:** What part of him was he going to break running?

**Mr. V. Arden McLean:** If I were you I would run too.

**The Premier, Hon. W. McKeever Bush:** Oh, you would.

[Laughter]

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, what I am saying here is that the country wants to be at this level. They wanted a premier, they wanted all these things, but they don't want McKeever to have it because of where I come from.

That is what is wrong here in this country. McKeever Bush was not supposed to be the Premier. In fact, he wasn't supposed to be elected because he doesn't come from anywhere. I'm not one of the well-to-do people, never was. I wasn't born there. And so that's the whole facts of it.

I don't carry around chips on my shoulders. People can see that by the people that I honor. I am too well aware of those who do good in this Island. But, by God, Madam Speaker, can't people understand that there is a job to be done? That I have to do it? That they are going to stand up now [and say], *He didn't make us know*. So I must go and broadcast to the whole world I haven't got security at my house, I don't have any carrying with me and then what happens to me? So, Madam Speaker, yes, I had to get certain security when I go certain places—can't get it from here. I was told I didn't need it when they did the assessment! No, I don't need it; the Governor needs it.

Anyway, Madam Speaker—

**Mr. D. Kurt Tibbetts:** Yeah, let's vote now.

**The Premier, Hon. W. McKeever Bush:** I just didn't come here.

No I have a little bit more left to say. Come on, you all had three, four days at it.

**Mr. D. Kurt Tibbetts:** I'm not arguing with you, I just want to vote.

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

Madam Speaker, they complained about that travel. I think I have answered that. But what I want to say, Madam Speaker, is, why can't they wait to see what is proposed when discussions are to the point that sensible and proper disclosure can be made? Instead, the politics must take over so the news can be made before time and nothing gets done.

Madam Speaker, the country has to understand. I do believe that for the ranting of the few that you get on the radio with PPM and the North Side Member and the rest of them, I do believe they are going to get a shock. It might not necessarily be me. I wouldn't cry. I will probably go and ask my friend from George Town to carry me fishing with him

[Laughter]

**Mr. D. Kurt Tibbetts:** What about planting the cassava?

**The Premier, Hon. W. McKeever Bush:** I got some of that though.

[Laughter]

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, let me say, in closing, this aspect of it.

Cayman Airways has been the life's blood of our Islands for the past 44 years. And in today's world with all the uncertainties and challenges Cayman has not been immune. And we are slowly pulling out. And when I ran for the office in 2009 I vowed to fix our government finances, bring in new business and make our existing industries more vibrant and more secure. CAL is a foremost partner in our civil aviation industry, and over the years the staff performed miracles under the financial conditions that it has been working with.

Now, we have reached a new era. And I want to say this in closing this aspect of my debate. We have reached a new era spending \$26 million, or \$23 million (whatever it is), partnerships matter, Madam Speaker. And CAL must have a partner that safeguards its future. The Philippine Airlines, PAL, could be a worthy and proven partner. Its synergies cojoined with CAL could make the Cayman Islands the choice destination of the region and safeguard the future of its staff, their salaries, their pensions and their employment in every way. We are very happy that Cayman Airways was chosen as the strategic partner that PAL needs for its international expansion. The partnership fulfilled the national strategic objective that I, as Minister, have had for Cayman Airways.

Madam Speaker, I want to turn to three areas in closing this debate to reply to the Leader of the Opposition. And that is about the Ritz deal, the money that was owed to the government. And, Madam Speaker, I want to briefly mention the Cohen matter and put that one right, and give the facts on it. And I want to mention (and I don't think I have to do that) to close about CHEC.

Madam Speaker, the Leader of the Opposition in his tirade said the reason the UK has come down on Cayman and forced through this FFR is a result solely of my handling of Government business. He said it was because of Cohen, CHEC and the Ritz



Carlton import duty deferral. Nothing could be further from the truth and the real reason I have shown, stems directly from the massive borrowings started under his leadership, his administration, his doings without following any proper procedure, such as paying the \$12 million up front, telling contractors that they had to build for \$60 million and then giving the contract out for \$30 million more. That building ended up costing \$100 million. Nothing could be further from the truth. Expenditures without proper accountability as exemplified by their giving of these contracts, this is what caused it. I have already repeated that.

Madam Speaker, let me deal with this matter of the money that is owed to the Government by Ritz. Madam Speaker, it is well known to anyone who has bothered to follow the true facts behind all the slurs and accusations that there is no level of hypocrisy and untruth that the Leader of the Opposition and his lap dog lawyer friend will not stoop to in an attempt to blacken my name and the name of the Cayman Islands. Do they really expect people to take them seriously when, for years they have accused me over and over again of getting involved with investors and making deals, to now stand in this House and accuse me of acting improperly because I did not get involved and make a deal that would benefit a client of a law firm that he has or had an extremely close relationship with and his old colleague in the same firm? Make no mistake, Madam Speaker, it is clear now—

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

**The Speaker:** Yes, Leader of the Opposition.

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Madam Speaker, I have listened to him since I have been back, and I have been called countless times by the media while I was at my son's reporting about allegations that are being made by the Premier. And I have kept quiet about it. But he must now tell the country which client of mine has anything to do with Ritz Carlton or Mike Ryan, for that is the allegation, veiled though it is, that he has just made.

And it is a complete and utter untruth, as is much that he has said today, and much that he has said in relation to this matter over the course of this debate.

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, let me . . . I didn't say anything about any client of his. I didn't say anything about any client of his.

*[Inaudible interjection]*

**The Premier, Hon. W. McKeeva Bush:** No, I am not giving any such impression, Madam Speaker, it cannot be given. I said his lawyer friend.

**The Speaker:** I think if we leave that part of the allegations out, we need to move on with this debate.

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, I am replying—

**The Speaker:** The personal allegations need to be put aside today.

**The Premier, Hon. W. McKeeva Bush:** I didn't make any allegation, Madam Speaker.

**The Speaker:** If it's—

**The Premier, Hon. W. McKeeva Bush:** Make no mistake, it is clear—

**The Speaker:** Regardless of who it is against, whether it is the Leader of the Opposition, a Member or someone outside. Let's move on with the facts—

**The Premier, Hon. W. McKeeva Bush:** Well, people seem to [be able to take me for a pincushion and a kick dog and I must take it. I don't think so. My Standing Orders say that I can reply to their debate.

Make no mistake, Madam Speaker, if you will give me a chance, if he will give me a chance, it is clear what game has been played, and it is shocking that they think that this or any respectable administration would be intimidated by public falsehoods in the press spouted by a lawyer who should know better to give away things rightly due to the people of these Islands.

They know I have never, and will never, do anything except what is in the best interests of the people of these Islands and not to help some New York fund to the detriment of our people! There is a proper process to be followed and the Government has the right to be paid what it is properly due, and I will see that it is done, Madam Speaker!

To begin with, Madam Speaker, let me begin by clarifying that the statement that Government somehow lost the chance for the deferred duty because I did not respond is just rubbish. I should be well known to Mr. Finlay. The Government responded to his client, Mr. Jim Glasgow of Five Mile Capital in Connecticut, for the request letter of October the 5<sup>th</sup>. That's when I wrote to them. So, for him to say there was no response to their June request is just ludicrous and for him to say such a thing about the Government in an attempt to get me to agree to things we should never do is an insult, not just to me, but to the entire concept of our duly elected and empowered Government.

Unfortunately, the Leader of the Opposition, in his zeal to try and become the next Premier of the Cayman Islands, has again made statements that conveniently ignore the real facts and circumstance

and which statements are detrimental to the people of these Islands. But we all know. He doesn't seem to care about the Islands and their reputation. He only seems to care about how he can get to sit in the Premier's chair and the country can suffer the result of his shenanigans to get where he wants to get.

Madam Speaker, let me clarify what the real facts are in this matter, as he accused me of losing \$6 million. And also remind the Leader of the Opposition that even though he wants to paint a false picture of my travels as not attending to the nation's business, the truth is that it is only with the willingness to travel and the devotion of time and energy that anything can get done. Also, that I am and have always been willing, present and able to do what is needed to protect and benefit the people of these Islands and the economy.

It is well known that the Ritz Carlton is an important part of our tourism product and economy. It is well known that I have supported the project from the beginning, even when others lacked the courage to do so, and we have all seen the many benefits it has brought these Islands. Madam Speaker, when the world economy collapsed the market for normal lending disappeared and, in particular, there was no more funding available on any terms for offshore resorts even one as famous as the Ritz had become. Along the way, the mortgage on the property was bought by a group, Five Mile Capital, that specialises in distressed debt and the owners had no choice but to enter into discussions with them regarding a potential restructuring so the project could continue without any negative publicity.

Government was kept apprised of the challenges and I was active in trying to do what we could to help the project move forward. Shortly after Five Mile Capital purchased the debt, they, (Mr. Glasgow and Mr. David Lattimer), visited the hotel in September last year and I agreed to meet with them. At that time they were discussing how to work with the present owner to restructure the loan and keep the hotel running without any interruptions or negative publicity. And I must say that I thought they were doing the right thing.

From this first meeting I made it clear that the Government wanted to be a good partner, but that they needed to be aware that the deferred duties needed to be paid and that they were welcome here but they needed to play by the rules. As time went on they decided that it would be in their interests to pursue a strategy of aggressively taking over the hotel and driving out the current ownership. That's what happened.

After that first meeting in September of last year, between February and April of this year, Mr. Glidden, the Third Elected Member for West Bay and Deputy Speaker, who is the tourism councilor, travelled with me to Miami twice for three meetings. At the first meeting we were with a company called Gencom,

part of the prospective purchasing group and part ownership of Marriott here in Grand Cayman. At the second meeting we had a phone conference call with Mr. Glasgow and Mr. Lattimer of Five Mile Capital where we discussed stamp duty and other concessions, I again reiterated our willingness to be a good partner, but also reminded them that they had obligations to Government that had to be met.

I then travelled again with Mr. Glidden to meet face-to-face with Mr. Glasgow and Mr. Lattimer of Five Mile Capital in Miami. At that meeting we again discussed the same issues of deferred duty, stamp duty, work permits, and other concessions that they wanted. I again told them that Government was willing to hear a proposal, but could make no commitment and, again, that they should know that the first thing Government would require is that the outstanding deferred duty be paid.

After the meeting in Miami, I attended a meeting at their request at the offices of Conyers where Mr. Glasgow and Mr. Latimer were present and the other lawyer that I referred to earlier, Mr. Finlay (Caymanian) who was part of the law firm, I believe, that worked with Mr. McLaughlin, the Leader of the Opposition, some years ago.

Madam Speaker, you know that isn't a bad thing—

#### Point of Order

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

**The Speaker:** Yes, I understand.

Mr. Premier, you have to stop making statements on your belief, please.

**The Premier, Hon. W. McKeeva Bush:** On what?

**The Speaker:** Let's stick to the facts.

**The Premier, Hon. W. McKeeva Bush:** Well, that's what I'm doing though.

**The Speaker:** No. You just said you believe . . . please, let's get away from that—

**The Premier, Hon. W. McKeeva Bush:** Well, okay, if he didn't work there, he is the lawyer we met with—

**The Speaker:** —get to the facts.

**The Premier, Hon. W. McKeeva Bush:** —and I think I need to say that to the House.

**The Speaker:** Well, you can say you met with him, but you cannot say that he was related to anyone else.

**The Premier, Hon. W. McKeeva Bush:** I didn't say he's related—

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

**The Speaker:** I am sorry.  
Yes, Leader of the Opposition.

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Madam Speaker, really, I must clarify this because the Premier has said it in here today, but he said it in other places.

**The Speaker:** Premier, you need to give way so I can hear this.

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Mr. Finlay is the principal of Conyers, Dill & Pearman (Cayman). I was not associated and am not associated with Conyers, Dill & Pearman.

**The Premier, Hon. W. McKeeva Bush:** No?

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Mr. Finlay was my partner at Charles Adams, Ritchie & Duckworth, a firm from which I retired 12 years ago.

**The Premier, Hon. W. McKeeva Bush:** And that's all I said, Madam Speaker. He was a colleague of the Leader of the Opposition.

**The Speaker:** That is a 12 year old . . . that's a lot of history. Please stick to the present right now.

**The Premier, Hon. W. McKeeva Bush:** History can be repeated.

Madam Speaker, you have to try to keep the peace, I know that. That's what your job is here, Madam Speaker.

*[Addressing the Leader of the Opposition]* I am telling the truth, and you are getting hot under the collar because I am exposing you!

The same demands, Madam Speaker, relating to stamp duty deferred and other matters were made at that meeting at Conyers and I was there, Madam Speaker, with my chief officer, Mr. Stran Bodden of the Ministry of Tourism and Mr. Leonard Dilbert, my Chief of Staff in the Premier's Office.

And I again reiterated Government's position regarding deferred duty and also that Government did not relish that they were pursuing all these legal proceedings in earnest and that Government could not get caught in the middle. It was bad for Cayman and bad for the hotel. But I was willing to be a good partner, Government was a good partner.

Madam Speaker, after that we then received a letter referred to by Mr. Finlay and the Leader of the

Opposition in June. They referred to it in a statement the other day. The Leader of the Opposition referred to it in here and Mr. Finlay [referred to it] in the *Caymanian Compass*. That letter was where they first requested in writing the massive concessions they referred to which included:

1. That Government agrees to an artificially low value for the hotel and the entire property of US\$150 million.
2. That Government agrees to lower the stamp duty rate to be charged on this lowered valuation to 5 per cent.
3. That the \$7.5 million stamp duty that would arise from those calculations be paid over five years with Government only getting \$1.5 million at the time they transferred the property to their new entity.
4. To approve a transfer via the Financial Secretary of the hotel to a land holding company that is a public company pursuant to section 5 of the Landholding Company Share Transfer Law.
5. In the case of a subsequent transfer of the hotel to a third party other than a public company qualifying under the section described above that the tax payable on such transfer would be based on the same lowered valuation used for the initial transfer.
6. That the work permit fees be reduced, all the work permit fees for the Ritz be reduced to 50 per cent. The Ritz currently pays \$1.5 million or \$1.7 million per year in work permit fees.
7. That we agree a proposal to allow them to reduce their utility costs by producing their own water for the hotel and the golf course resulting in millions in savings for them each year.
8. That we enter into discussions to sell them the freehold, all the land now that the Ritz sits on, interest in the property along the same lines which we had previously rejected for the former owner.
9. That Government provides new duty deferrals for five years and reduce the duty payable from 22 per cent to 10 per cent for those five years.
10. That Government expedites the issuance of permits and licenses they would need to operate the business since they were not prepared to make any agreement with the current owner of those licences. Well, those licences are in the name of the past owner, or current, whatever he is. We can't just go transfer them.

This is what they asked for, Madam Speaker, and then demanded. And now they say they are not going to meet any of their obligations to pay Government the deferred duty that the hotel owes because

we did not respond to their wish list. That is not how things are done in the Cayman Islands.

Despite them getting the support of the Leader of the Opposition, this Government does not give into threats and ultimatums that they were told so in my letter to them—

#### Point of Order

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

**The Premier, Hon. W. McKeever Bush:** —on October the 5<sup>th</sup>—

**The Speaker:** Honourable Premier.  
Yes, Leader of the Opposition.

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Madam Speaker, the Honourable Premier must really stop making these unfounded allegations. I have offered no support to anyone.

My complaint is that he let Mike Ryan get away with not paying \$6 million and—

**The Premier, Hon. W. McKeever Bush:** That is not a point of order, Madam Speaker. He wanted—

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** —and he is making it get away again.

**The Premier, Hon. W. McKeever Bush:** —to come and berate you and stop me from calling people's names.

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** He needs to explain to this country his personal relationship with Mike Ryan and why this country has gone down the road it has.

**The Premier, Hon. W. McKeever Bush:** Stop him from berating other people in this House.

Madam Speaker, Madam Speaker, I have . . . I can say what relationship—

**The Speaker:** Both of you take your seats! You will both take your seats!

*[Inaudible interjection]*

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, I haven't accused the Member of anything.

*[Inaudible interjection]*

**The Speaker:** I am on my feet. Please sit, honourable Premier.

**The Premier, Hon. W. McKeever Bush:** Why can't I finish my debate in peace?

**The Speaker:** Please finish. Please sit when I am on my feet.

We have had enough of the allegations and the insinuations, and I have had enough of the interruptions. I will conclude this debate summarily unless we can stay on track with it now.

**The Premier, Hon. W. McKeever Bush:** You know, Madam Speaker, it's really . . . I have to relate because I was accused here, Madam Speaker.

**The Speaker:** Relate the facts!

**The Premier, Hon. W. McKeever Bush:** I am relating the facts!

**The Speaker:** And leave the insinuations out. And you will stop making your comments on that side, Leader of the Opposition.

Now, please continue and let's get this debate concluded. We are coming up to the hour of 4.30 and we have not gotten anywhere near completion of this matter today.

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, again, I made a statement that I stand by that he got support by them but he is accusing me. That's what I am saying.

This Government does not give in to threats and ultimatums and they were told so in my letter. Now, they say I didn't say anything, but I wrote to them on October the 5<sup>th</sup>, a fact conveniently omitted— if he knew—by the leader who said I didn't do anything, and that Mr. Finlay, his former partner—

**The Speaker:** We are now not going back there. That's 12 years ago. The Member has been out of a law firm for 12 years.

**The Premier, Hon. W. McKeever Bush:** Twelve, it could have been 100, the truth is the truth.

**The Speaker:** I am not—

**The Premier, Hon. W. McKeever Bush:** Let's be clear, Madam Speaker, what they asked for and why it was always unacceptable.

**The Speaker:** I understand the points you are making regarding the agreements or the demands that were made, but let's leave it with the facts and leave the personalities out of it.

**The Premier, Hon. W. McKeever Bush:** Well, I'm not taking up personalities. I don't know what personalities I'm taking.

**The Speaker:** Um—

*[Inaudible interjection]*

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, the Member is getting away because you are interrupting me, as you think you should as the Speaker, so he's getting away with all that he has said, and I can't clear it up properly. That is not fair debate, you know.

Beginning with the valuation level of the hotel, Madam Speaker, we know—and he's smiling about it because he knows that you are going to interrupt me, you see. He doesn't want to be exposed. He can get up there and call people crooked, he can get up and say anything. When he's exposed then you interrupt. What do I do? Take the licks. I am not that kind of Christian, Madam Speaker. Only Christ got crucified!

*[Laughter]*

**The Premier, Hon. W. McKeeva Bush:** I'm not that kind of Christian. At times I have to defend my position, and that's what I am doing!

You mightn't want to hear the truth, whether it's 12 years or 100 years, but the truth is the truth!

We know, and they know, that the real value of the Ritz Carlton, as we were told, is far more than \$150 million or \$177 million. I am not going to get into that. All I know that as recently as 2007 the hotel and land was valued by a third party quantity surveyor at over \$468 million. In a caucus meeting in the Cabinet room held to discuss the value of the Ritz Carlton hotel and property Mr. Uche Obi, of the Lands and Survey Department, said that in his opinion the hotel and property was worth more than \$500 million. That's the Lands people.

So, using the legal stamp duty rate of 7.5 per cent, that would result in a stamp duty payment to Government of over \$37.5 million—\$30 million more than they offered to pay over five years, Madam Speaker, \$30 million more. If we had agreed to allow a second transfer as they asked at the same lower valuation then that would have been another \$30 million. If we had agreed to reduce the permit fees in half for 10 years, that would have added up to a minimum loss to Government of \$7.5 million. If we had agreed to provide more duty deferrals, the same type of deferrals they now say they won't pay, and agreed to reduce the duty to 10 per cent from 22 per cent, that would have resulted in millions more in losses for us and gains for them, although we are a willing partner for them and will work with them to keep the hotel going.

As can be clearly seen, Madam Speaker, the offer from them through Mr. Finlay to pay the outstanding deferred duty of \$16 million came with many strings attached, strings that could add up to over \$70

million and set dangerous precedents for future governments when dealing with investors. Madam Speaker, that was clearly unacceptable and I told them so in my response of October 5<sup>th</sup>.

I have also told them that we want to be good partners, but that it takes both sides to give and take, not just one side to give and the other to take. We have also said that the Government needs to be careful not to interfere or get dragged into the legal proceedings that they initiated. And we are concerned that their actions in selling the property may not follow all the prescribed rules and regulations. And I have asked the Land Registry to check into this and do all things properly and by the book. That is my duty, as the Minister of Finance! I will be the partner for them to help save the hotel, but you asked me if I am doing things right and accusing me that I am not doing things right? These are the right things I am supposed to do!

They chose to buy the loan of the hotel with full knowledge of the obligations of the hotel and requirements under the law for stamp duty and other fees. They chose to go forward and bring the hotel and these Islands into the papers by commencing a receivership and then an action on legal proceedings. They now chose to try and threaten the Government, this lawyer out there who was part of Duckworth and company, and now is Conyers. I didn't work for Duckworth. I didn't write off any sign-off for Conyers, so I had no association with them. Those in this House that had it know. They now chose to try and threaten the Government to dissuade it with the help of their friends all around; the Opposition comes in here and accuses me. So who is he helping?

*[Inaudible interjection]*

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, if . . . everybody knows, Madam Speaker, that I supported Mike Ryan in the development of the Ritz Carlton. And we gave them, as [we gave] other hotels. And they were paying and when the crunch came they had a problem but it was being worked out. And then these people came and they are the new owners now and we have to work with them. But I am not going to sit here and take licks from the Leader of the Opposition telling me that I caused the Government to lose \$6 million when I know that he is wrong and that the Leader of the Opposition is playing politics!

Government will follow all proper process. We will follow the proper regulations, assess the proper value and demand that the appropriate stamp duty be paid before any transfer is made. And I hope it's not made yet. Government will continue to demand its due payment of the deferred stamp duty and will expect it to be paid before any consideration is given to any request for any licences, work permits or any of

the other things that government does on a day to day basis in relation to the operation of the hotel.

Government has reached out a helping hand to this new group and we will continue to do so. The Leader of the Opposition and his cohorts in the press should, rather than mocking and insulting me, explain why they think that Government should give away such a badly needed windfall to people who have not shown any care or concern at all for the Cayman Islands or its people. They chose to buy the hotel. They knew what the stamp duty laws of the Cayman Islands are, and if they didn't know then, shame on Mr. Finlay. They knew they have to pay after the government assessment is done—and pay they will!

Something else, Madam Speaker, that the Leader of the Opposition conveniently forgot but I know, is that the reason the deferred duty . . . and I want him to listen to this carefully, Madam Speaker, because they know it. The reason the deferred duty is now an unsecured debt is strictly a result of actions that they took and the rest of the PPM, I guess, took it when they were in Government between 2005 and 2009 when they removed that restriction.

When we agreed to giving the deferral, Madam Speaker, in order to get the hotel in this country, the deferral of the duty was secured by the property. But that group, the former Government, took away from Government the security and agreed to allow it to become an unsecured debt!

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

**The Premier, Hon. W. McKeever Bush:** And the current. . . Madam Speaker, I am telling you the financing papers will prove it out!

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

**The Premier, Hon. W. McKeever Bush:** Now, if you want me to stop, I will come back tomorrow morning and bring the papers.

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Yes, you need to do that!

**The Premier, Hon. W. McKeever Bush:** Well it was a secured debt and you agreed to remove the security and agreed to allow it to become an unsecured debt at the request of the former lender the Royal Bank of Scotland.

**The Speaker:** Will both—

**The Premier, Hon. W. McKeever Bush:** That is the loophole, Madam Speaker.

**The Speaker:** Will both Members please sit?

*[Inaudible interjection]*

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** You better bring your papers my friend.

**The Speaker:** I believe this is a good time to take a short break, and give everybody time to cool down for five minutes.

*[Inaudible interjection]*

#### Moment of interruption—4.30 pm

**The Speaker:** I am aware. Please make a motion for the business to continue after 4.30 or we will adjourn.

**An hon. Member:** It's the hour of interruption.

**The Premier, Hon. W. McKeever Bush:** As it's now 4.30 I move that we continue after 4.30 to finish this Bill and go to some other matters on the Order Paper.

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Madam Speaker, just let me indicate . . . they obviously have the numbers. But the Premier indicated to us in Business Committee that the House would not sit beyond 4.30. We have a number of matters scheduled to start at 5.00 and we are not able on this side to continue in the House after 5.00. So, if the Premier wishes to proceed, he will proceed without the Opposition. I can't speak for the two Independent Members.

**Mr. V. Arden McLean:** Me too!

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, the business of the House has to continue. As you said earlier, yes, we are behind because of the various processes that we have to go through. And so if Members don't want to sit, they don't want to sit. But we have business to conduct and that's what we are paid to do here, to conduct this country's business. And I did say in the Business Committee that I didn't expect that we would go late in the evenings. But the fact is that we haven't got a lot of business done.

And all of them out there talked as long as they wanted to talk. Now it's my turn, and I have to finish my debate, and we have to get along with the other business.

I have moved the motion, Madam Speaker.

**The Speaker:** If you are going to conclude your debate you need to do it rapidly because your time is running out.

Yes, First Elected Member for George Town.

**Hon. D. Kurt Tibbetts:** Madam Speaker, perhaps this is not appropriate, but I had indication all along that

we were going to be closing (this is personal) at 4.30. I have something that I cannot avoid. But I stand and crave your indulgence that even if I am not here for the vote for the Bill, the amending Bill to the Public Management and Finance Law, referring to the FFR, that if I were here (if I am not) that I will be voting yes. Thank you.

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, that's one thing. I hear what the [First Elected] Member for George Town has said, but earlier he did ask me if I was going to continue and I said yes. And I thought telling one of them meant I was telling all of them, but maybe that's not so. But I understand what he says. If he has to go, he has to go.

We don't have—

**The Speaker:** The Member for George Town had explained that to me earlier.

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

But he did ask me, and I said, yes, we were going to continue after 4.30.

**The Speaker:** Can we have a motion please to either conclude the proceedings today or to continue?

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, we have business to attend to in this House, and we are going to continue.

**The Speaker:** I need a motion, then, to continue.

#### **Suspension of Standing Order 10(2)**

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, I moved the motion earlier that the House do continue until after 4.30, and so we move for the suspension of the Standing Order 10(2) to allow the House to continue after 4.30.

**The Speaker:** The question is that Standing Order 10(2) be suspended to allow the House to continue after the house of 4.30.

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

#### **Ayes and Noes.**

**The Speaker:** I think the Ayes have it. Do you want a division?

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

**The Speaker:** Madam Clerk.

**The Deputy Clerk:**

#### **Division No. 4**

##### **Ayes: 8**

Hon. W. McKeeva Bush  
Hon. Rolston M. Anglin  
Hon. Michael T. Adam  
Hon. J. M. P. Scotland  
Hon. C. A. Glidden, Jr.  
Capt. A. Eugene Ebanks  
Mr. Ellio A. Solomon  
Mr. Dwayne S. Seymour

##### **Noes: 5**

Hon. Alden M. McLaughlin, Jr.  
Mr. Moses I. Kirkconnell  
Mr. Anthony S. Eden  
Mr. V. Arden McLean  
Mr. D. Ezzard Miller

*[Ongoing crosstalk]*

**The Speaker:** The Business of the House is still going on.

The result of the division is 8 Ayes, 5 Noes, two absent.

**Agreed by majority on division: Standing Order 10(2) suspended.**

**The Speaker:** The House will continue its business.

Honourable Premier, you have five minutes left.

**The Premier, Hon. W. McKeeva Bush:** Five minutes of what, Madam Speaker?

**The Speaker:** On your two hours of speaking.

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, can we take a break?

*[Crosstalk]*

**The Speaker:** I will call a break, but the break will be for five minutes only, and I will be back in this Chair in five minutes and I expect Members to be seated in their chairs when I arrive. Thank you.

**Proceedings suspended at 4.35 pm**

**Proceedings resumed at 4.44 pm**

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

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Madam Speaker, just to make clear that we have remained on the premise that the Premier was going to finish in five minutes, because our engagement is 5.00. So we wanted to be able to vote on the Bill.

**The Speaker:** The Premier had come to my office in the break.

## **ADJOURNMENT**

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, in respect to what the First Elected Member for George Town said, he wanted to vote on this Bill, and I think he should be here to record his voice vote, I adjourn the House, or ask for the House to be adjourned at this point in time in order to complete my speech in the morning and take the vote in the morning.

**The Speaker:** The question is that this honourable House do adjourn until 10.00 tomorrow.

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

**Ayes.**

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

**At 4.45 pm the House stood adjourned until 10.00 am, Thursday, 15 November 2012.**