



Original
Duplicate
Triplicate
Quadruplicate

Cayman Islands Legislative Assembly

Parliamentary Question

10th September 2014

Date for Answer _____
(For Official Use Only)

Name Mr. Ezzard Miller, MLA
(Member of the Legislative Assembly)

Constituency North Side

To Ask Honourable Tara Rivers, JP, MLA
(Elected Member)

Education, Employment and Gender Affairs
(Responsible for)

Questions

(Questions to be typewritten and submitted to the Clerk in Quadruplicate)

1. Can the Hon. Minister state what progress has been made in establishing a minimum wage for the Cayman Islands and what is the target date for the implementation of a minimum wage?

Chief Officer/ EE&GA
Head of Department

Please assist by supplying information for answer to above.

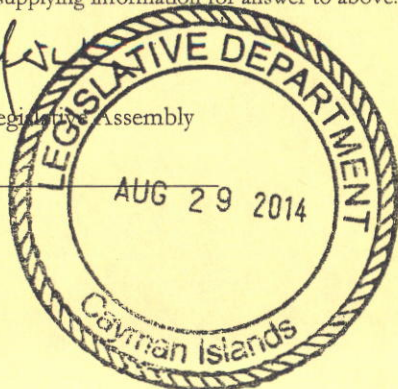
Ezzard Miller
Clerk of the Legislative Assembly

Date: _____

Mr. Ezzard Miller, MLA

Signed: _____
(M.L.A.)

Admissible



**PARLIAMENTARY QUESTION ASKED BY THE ELECTED MEMBER
FOR THE CONSTITUENCY OF NORTH SIDE TO THE HONOURABLE MINISTER
RESPONSIBLE FOR EDUCATION, EMPLOYMENT AND GENDER AFFAIRS**

Question: Can the Hon. Minister state what progress has been made in establishing a minimum wage for the Cayman Islands and what is the target date for the implementation of a minimum wage?

Answer: As per Section 21 of the Labour Law (2011 Revision) Cabinet established the Minimum Wage Advisory Committee (MWAC) to carry out the necessary research and to recommend a minimum wage or wages for the Cayman Islands. The MWAC is made up of 12 members with equal representation of employers, employees and independent members and is supported by seven ex-officio members from the Civil Service.

The MWAC has met a total of 14 times between 3rd June and 10th September, 2014. In these meetings the MWAC has done the following:

- Reviewed and restructured the Terms of Reference to capture additional points raised by Committee members
- Reviewed various research from around the world and developed a Statement of Purpose.
- Received a presentation by the Economics and Statistics Office (ESO) on important data to be considered.
- Received a presentation by the International Labour Office (ILO) Senior Specialist for Employers' Activities Ms. Anne Knowles who was invited to the Cayman Islands by the Chamber of Commerce.
- Received a presentation by the Department of Children and Family Services (DCFS) on data they hold and their processes for a better understanding of how families are determined to be "poor".
- Secured a technical advisor from the ILO, namely Mr. Reynold Simons, Senior Specialist for Employment and Labour Market Policies and met with him via Skype.
- Met with representatives of the Cayman Islands Tourism Association (CITA) on the unique makeup of the Tourism Industry and how the implementation of a minimum wage may affect this industry.

It took some time for the MWAC to secure the consultant as initially the MWAC was going to utilise a Request for Proposal (RFP) approach, but through consultation with the Ministry of Education, Employment and Gender Affairs, it was determined that a Request for Technical Assistance was more appropriate.

In an effort to secure appropriate technical assistance to help guide and facilitate the process locally, the ILO was determined to be the most suitable agency based on their experience in the Caribbean region and specifically on the topic of

minimum wage. The ILO is a tripartite organisation representing the interests of Employers, Employees and Independents/Governments.

The ILO Consultancy is low cost to the Cayman Islands Government as there is no consultancy fee. The only items which the Government will pay for are travel, accommodation and per diem.

Collecting and analysing relevant data is an important part of the process and Mr. Simons has provided the Economics and Statistics Office (ESO) with a matrix of economic indicators relevant to the exercise and ESO is preparing this data for him to analyse. The MWAC has also begun collecting qualitative data and to date has invited 33 non-governmental organisations to submit their views on the introduction of a minimum wage in the Cayman Islands. Ten responses have been received to date. The MWAC will also conduct wider public consultation starting in the month of September 2014.

During this initial process the MWAC faced two main obstacles:

1. The extensive list of issues that need to be considered as part of the exercise
2. Determining which of those issues should form the main focus of the Committee's work in setting a minimum wage for the Cayman Islands.

Through the recommendations of the Consultant and consultation with Caucus, the MWAC will be focusing its attention on two main issues- one micro and one macro- to be addressed through this minimum wage exercise.

1. **Micro issue:** Address exploitation and provide real relief to the lowest paid workers
2. **Macro issue:** Improve employment opportunities for Caymanians by analysing labour market trends to determine:
 - a) the barriers that inhibit Caymanians from entering the job-market; and
 - b) the minimum wage point that Caymanians would be able to meet their basic needs.

The MWAC recognises that there are many issues to be considered in the Caymanian context. Therefore the exercise includes analysis of various items that the Committee will consider in coming up with its recommendations, including consideration of the impact of a minimum wage on young people, small-business owners, and household employers. The Committee will also consider the overall impact of a minimum wage on economic growth and poverty in the Cayman Islands.

In regards to the timeline, the MWAC originally had 31st October, 2014 as the deadline for their report. However, due to delays in securing the technical advisor, the breadth of the exercise, and the need to ensure that a proper period

of public consultation takes place the MWAC has requested an extension until the end of February, 2015 for the delivery of their report.

At that time, the Government will review the report and consider the recommendations; and will be in a position to determine the implementation period for the Cayman Islands National Minimum Wage.