

**TUESDAY  
12TH SEPTEMBER, 1989  
10:18 A. M.**

**MR. PRESIDENT:**

Prayers by the Third Elected Member for West Bay.

**PRAYERS**

**MR. JOHN D. JEFFERSON JR.:**

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, the Queen Mother, Philip Duke of Edinburgh, Charles Prince of Wales, Diana Princess 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 Members of Executive Council and Members of the Legislative Assembly that they may be enabled faithfully to perform the responsible duties of their high office.

All this we ask for Thy great Name's sake, Amen.

Our Father, who art in Heaven, Hallowed be Thy Name, Thy Kingdom come, Thy will be done, in earth as it is in Heaven. Give us this day our daily bread: And forgive us our trespasses, as we forgive them that trespass against us: And lead us not into temptation; but deliver us from evil: For Thine is the Kingdom, the power and the glory, for ever 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 His countenance upon us and give us peace now and always. Amen.

**MR. PRESIDENT:**

Proceedings of the House are resumed. Questions - the

Second Elected Member for the Lesser Islands.

**QUESTIONS TO HONOURABLE MEMBERS**

**THE SECOND ELECTED MEMBER FOR THE LESSER ISLANDS TO ASK THE HONOURABLE FIRST OFFICIAL MEMBER RESPONSIBLE FOR FINANCE AND DEVELOPMENT**

**NO. 97:** Would the Honourable Member say what has been the total amount spent on official travel by Elected Members of Executive Council and the cost broken down by Portfolio?

**ANSWER:** Mr. President, in providing the answer, I assume that the Member was asking for the amount spent on both official travel and subsistence by the Elected Members of Executive Council.

For the period 1st January, to 8th September, 1989, the total sum of CI\$18,972.93 was spent on official travel and subsistence by the honourable Members of Executive Council, broken down by Portfolio as follows:

	<b>OFFICIAL TRAVEL (CI\$)</b>	<b>SUBSISTENCE (CI\$)</b>	<b>TOTALS (CI\$)</b>
1. Tourism, Aviation Trade	1,454.78	4,081.24	5,536.02
2. Education, Recreation and Culture	403.20	1,296.60	1,699.80
3. Health and Social Services	2,418.66	2,294.52	4,713.18
4. Communications, Works and Natural Resources	3,219.57	3,804.36	7,023.93
<b>TOTALS:</b>	<b>7,496.21</b>	<b>11,476.72</b>	<b>18,972.93</b>

**SUPPLEMENTARY**

**MR. JOHN B. McLEAN:**

Supplementary, Mr. President.

what countries this official travel was made?

I wonder if the Honourable Member would be able to say to

**HON. THOMAS C. JEFFERSON:**

Off the top of my head, Mr. President, I could probably name some but not all of them. I think it might be best if I undertake to provide the answer in writing.

**MR. JOHN B. McLEAN:** That is fine, Mr. President.

**MR. PRESIDENT:** Are there no other supplementaries? In that case, Question No. 98, please. The Second Elected Member for the Lesser Islands.

**THE SECOND ELECTED MEMBER FOR THE LESSER ISLANDS TO ASK THE HONOURABLE THIRD OFFICIAL MEMBER RESPONSIBLE FOR INTERNAL AND EXTERNAL AFFAIRS**

**NO: 98:** Would the Honourable Member say why Government is undertaking a new salaries review at this time when salaries were restructured and increased in January 1989 following the Hall Report?

**ANSWER:** Mr. Hall conducted his review in September and October 1987; so two years have passed since that review. As a matter of fact, Mr. Hall did not propose a great deal of restructuring, and the Government considers that a further review is now timely.

Members will have noticed that the terms of reference of this review include the system of adjusting pensions to those already retired, and the salaries, pensions and other benefits of Members of the Legislative Assembly.

**SUPPLEMENTARIES**

**MR. GILBERT A. McLEAN:** Mr. President, would the Honourable Member say if it is not correct that salary reviews are normally set every four years, rather than two years?

**HON. J. LEMUEL HURLSTON:** Yes, Mr. President.  
I can confirm that the practice in the recent past has been to conduct general reviews every four years, with cost-of-living adjustments being carried out annually in the intervening periods. That is not a formal policy, it is just a practice which has evolved.

**MR. GILBERT A. McLEAN:** Mr. President, would the Honourable Member confirm if in either the Hall or the Waller Reports it was recommended (and as far as I know adapted by Government) that every four years there would be complete salary review and restructuring?

**HON. J. LEMUEL HURLSTON:** Mr. President, the Member is correct but the Government, in accepting recommendations proposed by previous Commissioners has agreed, but has not been bound by those agreements. In other words, the agreement is not a binding one. The Government may wish to conduct reviews more frequently and this is what has happened in this particular instance.

**MR. GILBERT A. McLEAN:** Mr. President, could the Honourable Member say why, in this particular review, there are a number of local persons included in the survey team?

**HON. J. LEMUEL HURLSTON:** The inclusion of local persons as advisors to the Commissioner on this occasion is an attempt to incorporate local knowledge and expertise to the benefit of the Commissioner which will, hopefully, be reflected in the Commissioners ability to conduct the review speedily and with the benefit of local advice.

**MR. PRESIDENT:** The Elected Member for East End.

**MR. JOHN B. McLEAN:** Mr. President, I wonder if the Honourable Member could say how soon this survey will be completed and if necessary, implemented?

**HON. J. LEMUEL HURLSTON:** Mr. President, it is the hope that the survey will commence in October, to be completed so that recommendations could be made by the end of the year. Those recommendations that are finally and ultimately accepted might, therefore, be implemented in January, next.

**MR. GILBERT A. McLEAN:** Mr. President, would the Honourable Member say whether the local persons who are acting as consultants, will they be signatories to this report?

**HON. J. LEMUEL HURLSTON:** No, Mr. President. The local persons are acting as advisors to the Commissioner. The report will be the responsibility of the Commissioner.

**MR. GILBERT A. McLEAN:** Mr. President, would the Honourable Member confirm whether there has been a salary review exclusively done on behalf of the British Civil Servants in the Civil Service and that has made certain recommendations which are to be incorporated into the review to be undertaken?

**HON. J. LEMUEL HURLSTON:** Mr. President, I have no knowledge of such a review.

MR. PRESIDENT:

We move to Item 3, Other Business. Private Member's Motions. Private Member's Motion No. 19/89, debate, continuing. The First Elected Member for Bodden Town.

## OTHER BUSINESS

### PRIVATE MEMBER'S MOTIONS

#### PRIVATE MEMBER'S MOTION NO. 19/89

#### SELECT COMMITTEE ON CODE OF ETHICS AND CONDUCT FOR LEGISLATORS

(Debate continues thereon)

MR. ROY BODDEN:

Thank you, Mr. President.

Prior to the adjournment yesterday afternoon I was making the point that apologists for colonialism used to prefer the excuse that as a result of certain traditions laid down by the metropolitan countries, there was little or no need to establish clear cut documents which dealt with the way politicians and Ministers in office conducted themselves. Certainly, events of the recent past in many of the new developing countries and independent nations, particularly in Africa, have demonstrated the fallacy in this line of argument. One can easily see why, because the success of colonialism was based on the old divide and rule philosophy. So in the first instance, it was quite understandable that the people who found themselves in office may not have necessarily been the best, or the most ethical, or the most honest, but, rather, the most cooperative. One might easily suggest this is another reason why it is necessary at such a time in our development to arrive at some code we can all agree with and that we all find feasible and practical.

Significantly too, it will serve to add legitimacy to what is a growing fraternity in our society - a fraternity that, if we are to be successful, must continue to lure the best brains, the best minds, the most capable people. There can be no clearer way than for those who are attracted to the fraternity of politics, and for politicians, to realise and understand there are certain guidelines, that the fraternity has established a code of conduct that its members must ascribe to and abide by. That is another reason why this is absolutely necessary.

I would wish to address a few comments on some more points made by a previous speaker. In his reply, the honourable Member for Tourism, Aviation and Trade, suggested an annual declaration. I would take this idea and make the further suggestion that rather than an annual declaration it should be a declaration which is effective for the tenure of office - once the declaration is made, it is good for the four years. Of course, positions can change from year to year, but I think in most cases where such declarations are in effect they are for the duration of the political office, for the tenure of that office. That also might serve as a way of letting the officeholder know the declaration is not over-zealous, over-strenuous, or is not inquisitorial. Rather, it is practical and acts as a guideline. People may be less reluctant and feel more comfortable with entering the arena of politics.

While it is also true to say that you cannot legislate morals and ethics, I would suggest that certain documents (and a code of conduct) serve as a demarcation of the parameters in which we can operate, of the outlining of behaviour which is tolerable. The idea behind such a code is not so we can find bad people and make them good, but, rather, so that we will be able to say these are the limits we give you to operate within; if you can operate within these limits, you are welcomed to the fraternity; we think you can operate as a representative of the people and we think you can be honest, ethical and morally upright, therefore, you will make a good legislator or a good representative. Without such guidelines or with vague guidelines, smart and devious people can try to exploit the system and say, 'but you cannot tell me now that I have broken the rules when there are no rules' or, 'you cannot say I have departed from the traditions when the traditions have not been clear cut.' This too, is another reason why it is high time we think of formalising some kind of code. I would suggest our experience should dictate what is reasonable.

Here, I would like to take a moment to give credit to those of our predecessors who, in the absence of such a formal code, operated honourably and justly. I would like to ensure for those who are to come that this is not an aspersion on any new politician or any people with new ideas. Rather it is a sensible safeguard because things and times are changing. This is essential, I suppose, because in a few years (as someone quite accurately pointed out in the newspapers) we will have a new guard. The old guard is changing and the old guard has done very well. But they were people who were able to combine business with politics successfully because in those days the demands of business and the demands of politics were sufficiently small so as to effect a sensible and manageable combination of both.

The kind of Cayman we are increasingly coming to find is one where it will not be so easy in the future to manage such a combination by virtue of the fact that the wealth is trickling down. More people are becoming entrepreneurial. Private business is more attractive. We have to ensure for the people who combine private business with the business of managing the public's interest that the division is clear-cut; that the paths, when they diverge, are clearly demarcated so there can be no conflict, not only no *obvious* conflict, but for the sake of prevention and the avoidance of embarrassment there is no *apparent* conflict because this is important too - to avoid apparent conflict.

In one melancholy respect there is nothing fearful about this proposal. There is nothing about this proposal which casts aspersions on anyone past, present or future. There is nothing which is revolting about this proposal. Rather, it is a proposal which is designed to prevent people from

entering the arena of politics who may have interests inimical to those of the public.

I would hope that when it is assessed whatever comes out of the Committee's work, rather than serving as a deterrent or as a retardant for capable people to enter the arena of politics, it would spur intelligent, dedicated and honest people to enter the arena fearlessly. On the one hand they will be covered by a code that they can put their hands on, that they can refer to and understand before they take up the political mantle, or political baton. They can satisfy themselves and their conscience that they are on the right track. On the other hand, it will serve them in the heat of election as a defence against charges of unscrupulous or over-zealous politicians and detractors may make. This is very important.

I would like to say that credit must be given to the Member who brought this Motion, because he has seen fit to grapple with important and difficult ideas; ideas which are sometimes unpopular. I believe (and I would say that my knowledge of the Member is sufficiently deep to say) he was motivated by an altruistic loyalty which comes from deep within, a loyalty he wishes all politicians present and future to have; a loyalty which stems from his concern and his dedication to the fraternity and profession. For the rest of us it need not be interpreted in any other fashion but that: motivated by this desire to be sure our fraternity is protected in much the same way the legal and medical fraternities and the fraternity of accountants protect themselves. For the present and the future we can have the respectability that politicians deserve and attract the best people for the position of leadership for this country.

I might say that is very important because in a small country with a small Parliament, it is absolutely necessary that we are able to tap from limited resources the best minds, the most dedicated, the most honest qualified leaders, because our job, although we are a microcosm, is no less difficult than it is for the Congress or Senate of the United States; no less difficult than it is for the House of Commons and the Upper House in Westminster; no less difficult than it is for any other leader, for we all have the same desire - wanting the best for our country. There can be no better way to begin to want the best for our country than to want the best representatives our country can produce.

In closing I would like to say that if we are successful in arriving at a document which establishes a code of conduct and ethics not only for the Executive Council but also for the Backbench Members, not only for politicians, but for what I would call political aspirants who from the time conjure up the idea of wanting to enter the arena of public service, first one must pass a self examination; secondly, one must measure one's self against the code of conduct and ethics established by the highest law making institution in the country, namely, its Parliament.

I think this Motion is a good one. I am glad it is one to which most of the Members of this Honourable House can assent to and can find some common ground with. The challenge is when we sit down to narrow the parameters that we be sensible and practical to arrive at feasible codes so that we are able to extract the best, while at the same time, when we draw the limitations, the limitations are practical, understandable and they are workable.

Thank you, very kindly.

**MR. PRESIDENT:**

The First Elected Member for the Lesser Islands.

**CAPT. MABRY KIRKCONNELL:**

Thank you, Mr. President.

I rise to support Private Member's Motion No. 19/89, which provides the formation of a Select Committee on a Code of Ethics and Conduct of Legislators. Mr. President, I beg your indulgence to read the Motion so that the listening audience will understand what we are debating here this morning:

"WHEREAS many countries have prescribed guidelines to which legislators are requested to conform;

AND WHEREAS there is no written code of ethics and conduct for Members of the Legislative Assembly of the Cayman Islands;

AND WHEREAS it is considered desirable to establish such a written code for the preservation of the integrity of those who conduct public business;

BE IT THEREFORE RESOLVED THAT a Select Committee of the whole House be established to examine these matters and to recommend an appropriate written code of ethics and conduct for Members of this Honourable House."

I think this is a good Motion and is necessary. I am happy I can support this Motion. I am very concerned that we have the very best Government, best legislators, the very best of everything in the Cayman Islands. This, in my opinion, will provide all future and present legislators with a code by which they can be guided. As previous speakers have said, I am not trying to pass any aspersions on any present, past or future politician, but I feel that as we have seen the necessity in the outside world in larger countries, and as we become more developed the need will become greater here in the Cayman Islands.

We are a very fortunate, prosperous country. I feel that, as legislators, we must hold our heads very high. I look forward to having an opportunity in the Committee of providing one of the best codes of ethics and conduct which it is possible to provide.

I would like to congratulate the Mover for bringing this Motion to this Honourable House. We stand here today at a crossroad in our history. Many of our neighbours are not as

fortunate as we are, some are having internal problems; some are having problems which are caused by external factors. I feel that while the Cayman Islands are as prosperous as they are, we must take steps at this time to provide the best Government, the best legislators possible.

Mr. President, I am happy to support this Motion. Thank you, Sir.

**MR. PRESIDENT:** The Second Elected Member for Bodden Town.

**MR. FRANKLIN R. SMITH:** Thank you, Mr. President.  
I will not be long, because I believe the Motion is good and I would just like to say that I rise to support the Motion.  
Thank you.

**MR. PRESIDENT:** The Second Elected Member for the Lesser Islands.

**MR. GILBERT A. McLEAN:** Thank you, Mr. President.  
I rise to support Private Member's Motion No. 19/89, which requests in the resolve that a Select Committee of the whole House be established to examine the matters relating to a code of ethics and conduct for legislators. I congratulate the Mover of this Motion because I believe he has taken a bold and necessary step to request us, ourselves, to sit down and determine guidelines, which are acceptable for the conducting of our business as legislators. In today's world we constantly hear of corruption. We hear of massive corruption in other countries and in some instances we expect that. But even in well known and respected democracies there are instances where persons in public office and political figures go outside the realm of action or behaviour which can be considered right and proper.

We have extremes in our region here, for example, in the country of Colombia. It is undergoing extreme conflict at this time and there seems to be a general disregard by elements in that society for that which is good and proper. Perhaps the public figures, the Ministers of Government, and so on, stand out there, in that many have lost their lives doing what is right and proper in carrying out the law as is acceptable to the majority of the country. In the Cayman Islands at this time, with development and problems as we know and have them, it could not be a better time to have a code of ethics and conduct for legislators.

I am aware that certain guidelines have been set down for Members of the Executive Council, and while there may be those persons who argue it is more necessary that guidelines be prescribed for them, I take the view that there should be guidelines for all legislators, for all elected representatives of the people. It would not be true or fair to say that persons who serve on Executive Council are any more exposed, tempted or anything else which goes into the process of being a legislator, even when they think they are acting in good faith, to fall short of what is generally accepted in a particular instance as proper action or conduct. Rules, regulations, laws, codes (whatever we may call it) are the only tools that organisations or individuals have whereby measures and standards can be set. I also believe the only fair and consistent way standards can be applied is through having written and accepted guidelines. Fair and consistent, I think, are the operative words in this case because there can be guidelines that can be unfairly applied. There can also be inconsistency in it where what is good for one is not good for the other.

I personally prescribe to a code or rules which will clearly spell out what is considered by us to be proper conduct and what we can glean from other codes of other countries that have been long ahead of us in developing codes of conduct. They should be consistently and fairly applied in any instance where it is necessary to uphold fully the process of the democratic view. I do not believe it should be a question of any laws or any guidelines where wide discretions should be left open. I do believe that right-thinking people can sit down and reason out a situation and arrive at a decision or solution where it may not be specifically written down for them. However, specifics in a code of conduct, as far as is possible and reasonable, would seem to be a desirable situation. It rules out, to a large extent, the entry of personal feelings by someone who might have to sit down in a case of judgement.

Other countries of the world have seen the necessity of codes of conduct for legislators, the representatives of the people. They have developed codes which I believe we could use as a guideline in our considerations in Committee. The United Kingdom, which we emulate in many ways, the Parliament of the United Kingdom, has a committee which looks and examines instances where it may be felt Members of Parliament act improperly. So I believe we could take into account the guidelines and the process which they use in examining the situation for ourselves locally.

The public is watching and listening to see whether legislators may wish to believe so or not. While it might be felt that they do not perceive, understand or know as much as some of us would have them, we may be quite wrong in assuming that. For where a public is assured that its (to use the term) legislators or representatives walk the chalk line, that public is assured about the integrity and the manner of its representatives. Where there may be reasons to perceive this is not the case, then the public loses trust in its elected representatives. This has a snowballing effect that does not make for a good government.

Here in the Cayman Islands we have a situation where as elected representatives are permitted to hold office and also to continue participating in our own private businesses. While we have to declare interests in a particular business, we are allowed. I have heard many remarks from persons on the street, members of the general public, professional bodies and otherwise, that this is not the best or most desirable condition. I must say I tend to share that view. The salaries which elected representatives of the people are now paid are of a level which I believe signifies the recognition of the importance of the offices which are held by the representatives. There is also included in that salary an element which makes it possible for a

person to live. If it is to continue in the Cayman Islands where representatives can hold office and have their own businesses (and for that matter, participate in the day-to-day management of it), I envisage a time when accusations or the feelings on this matter will go to the extent where it will have to stop.

In developing a code of conduct I would hope that in the Committee we will look at a situation where Members of Executive Council, for example, would be required to put their business in a blind trust, as is done in the United States, so they cannot participate in the day-to-day management of companies which they may own. I am not suggesting in any way that any Member of the Executive Council at any time, would have to be stripped of the right to have businesses. Certainly, I think it would be something to be encouraged, because a person who has an income which gives them financial comfort can turn their minds more fully onto the business of Government. However, the day-to-day management of it, I believe, should be done by persons paid for that purpose. There is always a constant situation whereby being a member of Government and having to make a decision for Government which affects all the people, there is the ever present situation where a decision being taken by the person making it could conflict with an interest that person may have. So it seems very desirable, where it might appear to be that way, that it be specified to what extent such a situation is a conflict. I believe this is one of the things a code of conduct could include.

It must be accepted that legislators do have influence. In the United States we hear of a term 'influence peddling'. I think that term came about during the term of one of their Presidents, and in his fight against those accusations he made a term he called 'executive privilege'. But, in that particular instance, I think the code of conduct won out. This influence which legislators and representatives have is given by the people because it is the people who have the power. Actions of the Elected Representatives of the people have a direct effect on the people: the way legislators conduct themselves in the things they do, in the manner in which they do it.

In a population where proper guidelines are not considered to be in place, to set down what legislators may or may not do can arouse suspicion. There is a premise in public administration and in government that power comes from the people and when they give that power to someone they elect (if I may draw the example of our case, whether that is the case of a Backbencher or someone who has been elevated to Executive Council), the public has the right to scrutinise, question and, for that matter, to disapprove.

There is one magic word which is used in Government and in public administration: that is 'accountability'. It is not the case that one thinks only of money in this respect. It is accountability for money, for actions, for things said, for business involvements; what legislators may have when they begin a term of office, what they have when they end it, and whether the power given to legislators has been used for the benefit of the country or whether it has been used to benefit personal gains and personal aims. In the last Election there were many accusations laid by opposing persons in the political races in the various districts. Many of these accusations alleged conflict of interest by persons in the political arena. There were accusations of persons' integrity and otherwise. Unless it is curbed or steps are taken where guidelines are set down, then there is always the chance this type of situation will continue to grow - more bitterness, accusations and the whole negative situation does nothing but harm the country and the individuals.

I believe having a proper code of conduct would go a long way in settling this particular aspect of our political process in the time of elections. Some speakers have said that we have continued in the tradition of the good sense of the Caymanian people, and I agree. Some speakers have pointed out that power goes to some individuals' heads. That is also true. I subscribe to those views fully. But there comes a time when we must stop and take some very precise steps. I feel that is what is being suggested in this Motion which has been brought by the First Elected Member for West Bay.

I think he has set out quite well his feelings on the matter. He made a point to which I also subscribe. With a code of conduct for all legislators it ushers in what might be considered a system of guidelines of integrity, so if the persons involved follow those guidelines closely, certainly, the integrity of the individual must be enhanced. I say that not to detract from the fact that the right type of legislator is one who has integrity in their person. It would be quite useless to have a code of conduct for which there were not stiff penalties when someone trespassed against it. In looking at this matter in the Committee, I would hope Members would take that into consideration, because there has to be some teeth in it, something to fear; something a person would not easily wish to lose. I do believe penalties are necessary and depending on the particular case, act or action, severity would be determined by what was determined to be a gross breach of the code of conduct.

As I said, I believe there are codes of various countries available to us codes which we could be guided by. I believe there is an urgency for us to deal with this matter because the situation in Cayman being what it is - the present situation of Members being in a position to have their own business interests and being able to participate in the day to day management of that while making decisions which affect the country - we need to move quickly to take matters in hand, to discuss them, to decide what would be correct and come up with prescribed regulations.

I would not want to suggest that we go to extremes in restricting ourselves, or persons to come. I believe there has to be a certain flexibility in whatever code might be developed, if indeed one is - that a code does not strike back at someone who might be a professional person, a businessman. By no means. There should be flexibility in such a code.

The only thing I believe could result from developing a code of ethics and conduct for legislators in the Cayman Islands is democracy. Democracy as we know it under the free enterprise system would be enhanced. The people would have guidelines with which to judge their representatives, and the representative would have guidelines by which to judge themselves. I support this Motion, Mr. President.

Thank you.

**MR. PRESIDENT:**

Proceedings are suspended for 15 minutes.

**AT 11:19 A.M. THE HOUSE SUSPENDED**

**HOUSE RESUMED AT 11:45 A.M.**

**MR. PRESIDENT:**

Proceedings are resumed. The Third Elected Member for George Town, on Private Member's Motion No. 19/89.

**MR. TRUMAN M. BODDEN:**

Thank you, Mr. President.

I support this Motion and I would like to congratulate the First Elected Member for West Bay and the First Elected Member for Bodden Town for bringing it. I think it is saying a lot when the House is prepared, to ensure its standards are kept high, to consider a written code of ethics and conduct. I believe every profession should have a code of ethics and conduct and it is one which has to enhance the House itself, and keep the Members within the confines of what is good and acceptable publicly.

We are all, as politicians and Members of the Legislature, public servants and, therefore, we must be subject to a certain amount of scrutiny. This code of ethics and conduct should be aimed at seeing that the public is properly protected, either through disclosure or in whatever other ways may be deemed appropriate. There are now provisions in our Constitution and in the Standing Orders of the Legislative Assembly which do provide when Members have a conflict of interest on a matter, a pecuniary interest, that they should declare it and should not vote. That leaves you, Sir, with a certain amount of discretion in that area. Further than that, there are provisions in the Constitution which deal with disclosure of candidates running for election.

Government is the biggest business in the country. In many areas it is a monopoly. Therefore, it is important that the Legislature, as well as the Civil Service which carries on the business of the Government, have rules by which to abide. The right of the public to know has to be balanced, however, against the private individual's right to confidentiality. This balancing is what has always been difficult in most countries to define, and, in fact, has always been the subject of the evolution of appropriate rules that go into such a code.

I have looked at the rules of the United Kingdoms, and the report of the Committee. On a very quick reading it is very interesting how they dealt with certain areas of this. One of the aims has to be to ensure that we attract into the Legislative Assembly people who are capable of sufficient calibre to run the business of the country. So the code has to be aimed at seeing this continues. I think it was Socrates who once said that no one undertakes a trade that he does not understand nor is capable of doing, even the meanest or lowest of trades. But everyone believes he is capable of doing the most difficult of all jobs - that of governing.

I would like to project somewhat beyond the stage of the code of ethics and conducts, specifically for Members. This has been touched on by a few of the other Members when they dealt with the area of the Constitution which deals with disclosure contracts. I believe we have to make sure the people who are elected to the House come here honest and clean because otherwise this code of ethics and conduct will not be of any use. People begin on the wrong footing. I would like what I am saying here to be taken generally as I am speaking generally on the topic. We also have the Committee that is dealing with the Elections Law, and perhaps this should also be looked at in the light of some type of code of ethics and conduct to ensure that candidates coming in are also subjected to some sort of scrutiny. It is no good after they have reached the House to have an elaborate code of ethics. If the person is going to be dishonest before these rules, I do not think this is going to make them honest. I personally would like to see this in the Elections Law, looked at in relation to candidates, themselves, as well.

Mention was made by the Second Elected Member for the Lesser Islands in relation to Executive Council. He felt persons there should not participate in the day to day management of their businesses. This is a good principle, however it has to be weighed against people who provide services, professions that provide services. It is not that easy to completely give up or leave the practice. In fact, when you are doing service type work, you must continue to some extent but, naturally, reduce it. However, to completely abolish that right, you are going to see the calibre of Member's in this House who could well be less over the period of years thereafter. It is not that simple to totally stop what one is doing. Even though the Member did not mean that, I think he meant to slow it down and to pick it up four years later. I believe in that respect, we need to look carefully. He is right up to a certain point, but I believe it is important to remember that within this House there are people from professions who provide services, and those people are going to be the people who would be hardest hit if we came to a position that one's profession has to be given up for four years.

What is important is to ensure that it not only promotes the good and honest aspects of Members of this House, but that it will also attract into this House people who are good and honest. It is also important to attract people who are capable of working for the country. People on the outside at times do not really appreciate the amount of work which is done by Members of the House, and especially the Members of Government. We must have people attracted within the House who are capable of making those sacrifices for themselves and their families for the four years we are here.

I think the Motion is good. I look forward very much to the Select Committee which will deal with this and I look forward to an early code being prepared. In summary, Sir, the aim of the code should be to provide the necessary restraints or disclosures which are needed to protect the public. It has to have regard to the private individual's rights to some confidentiality. More so, it has to be one which will attract to this House people who are of sufficient substance because, once again, I think, we need some

people within the Legislature who have a lot to lose if the country is hurt; to attract a cross-section of people within it which will give it the balance - I stress that, the balance - which is necessary within the House itself for the advancement of the good of the people of the Cayman Islands generally.

Mr. President, if it can achieve that then I think it will be about as near to perfect a code of ethics and conduct as can be prepared. Lastly, Sir, I think while looking at this... as I said earlier we have to get honest people into the House, before we try to keep them honest... I think we should look while we are in the Elections Committee at candidates coming in and review the matter as a whole while we are at it.

I would just like to once again commend and congratulate the First Elected Member for West Bay and the First Elected Member for Bodden Town who moved and seconded this Motion. I do believe it is a Motion which will go a long way towards seeing this honourable House, which is the highest and most esteemed Parliament in the land, continue to consider the interest of the public and the good of the country.

Thank you.

**MR. PRESIDENT:**

The Elected Member for East End.

**MR. JOHN B. McLEAN:**

Mr. President, I rise to support the Motion which is before us. I would like to say that it is my opinion that it is quite timely. I see this as an urgent matter. I believe every effort should be made to expedite things. With whatever we do in this Committee (if the Motion is passed), I would issue a word of caution: that some flexibility is put in lest we cut our noses off to spite our faces, as the saying goes. We have come a long way in these Islands.

Perhaps one would ask why we need a code of conduct at this time? But with progress a lot of things creep into place and I believe this code will better prepare us for the future. I totally agree with an earlier speaker who cited this as something to test individuals who could be referred to as 'would-be politicians' before they take the final step.

Mr. President, I would like to say it is my hope that if such a Committee of the whole House is put together we would try our best to have a code which would be written to suit the culture of these Islands. I am aware that there are many other Islands with similar codes of conduct, but in order to progress on the right track ours should be different and suited only to ourselves.

I would like to commend the Mover of this Motion, the First Elected Member for West Bay and his seconder, the First Elected Member for Bodden Town. I urge all Members to offer their full support on this Motion.

Thank you.

**MR. PRESIDENT:**

would the Mover wish to reply?

Does any other Member wish to speak? (pause) In that case,

**MR. W. McKEEVA BUSH:**

Mr. President, I wish to acknowledge the high standard of debate on this very important resolution. There are some very good suggestions and I believe those suggestions will be dealt with in a fair manner at the Select Committee stage.

I think it is very important that this matter be handled in such a manner as to not create undue delay, or, certainly, so as not to create the appearance of delay because there could be nothing so fatal at this stage as to make a move and then to have it disappear by having meetings over months and years. The various public expectations at this moment could easily develop into a backlash if there were undue delay. So I would like to encourage whomsoever may be chosen as chairman to have this matter dealt with as quickly and as soon as possible.

It is most pleasing to have this matter dealt with unanimously. It says something. I wish to thank the Seconder of this resolution who had a great part in the drawing up of the resolution as did all Members, I should say, on this side of the House.

I move the resolution accordingly.

**MR. PRESIDENT:**

The question is in regard to Private Member's Motion No. 19/89. I shall put the question. Those in favour please say Aye...Those against No.

**AYES.**

**MR. PRESIDENT:**

The Ayes have it.

**AGREED. PRIVATE MEMBER'S MOTION NO. 19/89 PASSED.**

**NOMINATION OF CHAIRMAN OF SELECT COMMITTEE**  
(Standing Order 69(2))

**MR. PRESIDENT:**

Perhaps before you proceed I should mention that under Standing Order 69(2) I nominate the Chairman on the Select Committee on the Code of Ethics and Conduct for Legislators to be the Leader of Government business: the Honourable First Official Member.

Private Member's Motion No. 20/89. The First Elected Member for West Bay.



PRIVATE MEMBER'S MOTION NO. 20/89

REVIEW OF CARIBBEAN UTILITIES COMPANY LIMITED'S FRANCHISE AND RATES

**MR. W. McKEEVA BUSH:**

I beg to move Private Member's Motion No. 20/89 standing in

my name, which reads:

"WHEREAS the Government has approved rate increases for Caribbean Utilities Co. Ltd. (Caribbean Utilities Company) over the past three years;

AND WHEREAS these rate increases are passed on to the consumer;

AND WHEREAS the price of fuel has recently decreased;

AND WHEREAS some members of the public consider payments (including deposits) required of the public by Caribbean Utilities Company to be too high;

AND WHEREAS some members of the public are dissatisfied with the rate increases and other payments;

BE IT THEREFORE RESOLVED THAT the Government negotiate with Caribbean Utilities Company to amend the present franchise by reviewing the profit margin guaranteed in the present franchise, and other payments including deposits paid by the public, with a view to a reduction; and that such negotiations be finalised and reported in full to this honourable House at the First Meeting of the Legislature in 1990;

AND BE IT FURTHER RESOLVED THAT, during the Second Meeting of the 1990 Session of the Legislative Assembly, the Government establish a Public Utilities Commission to administer and regulate rates and compensation to the consumer and to safeguard the public rights."

**MR. ROY BODDEN:**

Mr. President, I respectfully beg to second the Motion.

**MR. PRESIDENT:**  
seconded.

Private Member's Motion No. 20/89 has been duly moved and

Does the Mover now wish to speak to it?

**MR. W. McKEEVA BUSH:**

Mr. President and fellow Members, this matter is indeed a matter of major significance in which all utilities will, if this Motion is accepted, have to operate under the regulatory controls of a Public Utilities Commission. That is one aspect of the resolution. The other matter of major significance is that the resolution is asking Government to negotiate the Caribbean Utilities Company to amend the present franchise.

I propose to deal with the matter of a Public Utilities Commission first. Hitherto, in practical terms, the Utilities companies in this country have been virtually free as air in as far as their operation here is concerned, meaning they have no competition whatsoever. They are monopolies. That in itself ensures the companies of a tremendous advantage which many other companies would desire to have.

There is no one who can say our public utilities companies are not, by and large, good service companies. I doubt anyone would say that. I well remember our situation with the hurricane last year. Those companies kept us going at the twelfth hour. They must be commended for that. We cannot forget either that shortly after the hurricane services were restored by Caribbean Utilities Company (CUC) and Cable and Wireless. But I believe our appreciation is well recorded. I also think that we in this House, and the companies, should be grateful that we have a country like these Islands to operate in. I mean there are no strikes in these essential services. Of course, that speaks well of the nature of our Caymanian people, although the working Caymanian is almost always ridiculed.

I believe in investigations. I have raised the matter of investigations more than once in this House - always to failure. I believe in having some control of these essential services in a monopoly position. I believe that a proper Utilities Commission can help this country. The Commission I envisage would be charged with the responsibility of keeping a constant watch to ensure the highest overall efficiency possible, so as to prevent unnecessary or overinflated costs. The final responsibility would be to fix rates of return in line with the rate warranted in such operations, bearing in mind the fundamental fact that these utilities are sole franchises. That is an advantage that no other company in these Islands has.

We would not seek to regulate banks because they are all private and at no time require Government's assistance in the form of guarantees. We could not at this stage of our development do without the banks. They render an invaluable service to these Islands. Caribbean Utilities Company and some others are also private companies. But CUC is a company that requires, at given periods, Government assistance, and in turn it is assured by Government to be guaranteed a 15 per cent profit each year. That has to be the best position any company in this region enjoys - to be completely private and get Government's assistance when they are going to extend their business. It is, in turn, guaranteed to make 15 per cent profit each

year.

In my research on this matter I have looked at various Laws which have established Commissions in other countries. Some of the more progressive countries in our region. Most of them are about the same. Even the great United States has public utility commissions, to which public utilities must abide and adhere to.

I do not propose to apologise to anyone for bringing up this matter of the example of the world's most successful country. No one can say there is not free enterprise in the United States, yet they regulate their utility companies and these companies, in most instances, have a lot of competition. So I do not know what the excuse will be on that one, but I should ask the Government Bench to bear that in mind.

To proceed, Sir. A commission would have the power to hold public inquiries. In exercising its powers it should be operating in a semi-judicial manner. Any person would have the right to appeal on a point of law or where any findings appear contrary to any evidence which might be brought out in an inquiry. It should be seen that every consideration is given to ensure that the rights of the public are preserved.

I would hope any Commission set up would have power to ensure that the services rendered by a utility are satisfactory and the rates reasonable. Also, to assist the Commission in fulfilling its task, it should be given the power to enquire into the nature and the extent of utility service and to determine the standards which must be maintained in relation to such services. It should also have the power to negotiate with the utilities companies any rates to be charged. This should be one of the very pertinent duties of the Commission.

All of the laws which I have seen pertaining to Public Utilities Commissions have contained the right of the Commission to prescribe the methods of submissions of accounts. That is important because it would ensure the methods by which the accounts are submitted stick to one form, that one does not have it done in one fashion one time and another fashion, which could be most confusing. I make no charge, but I wonder if companies like Caribbean Utilities Company adhere to or use normal accounting principles which are internationally accepted and used by businesses in these Islands. As I said, I make no charge. It is just an observation.

Commissions should have the power to require the utility to furnish such information the Commission may require. All the utility statutes of the United States give the respective utility commissions similar power in order to regulate, for instance, the rates effectively. One of the basic requirements would be the knowledge of the cost of doing business and the information obtained by the filing of adequate reports. This would furnish the Commission with the relevant data.

There is some concern by certain utility companies of the integrity of their agreement or franchises with Government. We have received one such letter from the manager of Cable and Wireless. Certainly they would be concerned. But in Laws which I have seen governing public utility commissions there is a provision to ensure the Commission, in fixing any rates, conforms to the provisions of the utilities franchise. So that would be made part of the Commission.

I would think that would be sufficient safeguard to the companies if the companies are looking and are really interested in that aspect. However, it would seem that certain people believe because they have an agreement no one can question whatsoever happens during the time agreements are made and expire. If we allowed that it would constitute an abrogation of our responsibility to our people, because in that given time - 10, 15 or 25 years (which in some instances run those amount of years) circumstances must change. Suppose something is found to be affecting our people. Must we wait those 20 years to rectify it? That is absurd and is certainly expressing a mentality of a system which is perhaps not as popular as it used to be. Are those companies we, as legislators, should trust? But they have no confidence in our good common sense.

Mr. President, no one desires any confrontation between Government and any company. No one who loves these Islands or who has the interest of our people at heart should even mention it. Now probably some bright fellow might say that Government provides protection by placing Government Members on the Board of Caribbean Utilities Company, for instance. However, that has not always worked well for our people in all instances. Some of the very things we complain about continue year in and year out. I feel and I know that a wide cross-section of the public share the same feeling.

Government should not be involved in the decision making process, but it would be fair that Government should be in a regulatory position. That is the position our Government should be in, not sitting on the Board in any decision making process. I cast no aspersions on anyone, but if we are not going to have conflicts of interest and all the rest that go with it, Government should regulate and should not be a part of the decision making process.

To move on. One very important provision I would hope would be part of a Commission is that no Member or officer of the Commission (if one comes about) should directly or indirectly hold, acquire, or become interested in any share, stock, debenture, or other form of security of any public utility nor should they have any interest in any contract or agreement for the construction of any works or the furnishing of any service for any public utility. Of course, no member or officer shall be deemed to have any interest in a public utility by reason of fact that he or she is a subscriber of a telephone or the user or purchaser for personal or domestic purposes of electric current from Caribbean Utilities Company.

As I said, this would be a very important section of the Commission. That would preclude all those people who trespass on conflict of interest but hide under cover of a company of their wife or friend. My duty (our sole duty in this House) is to protect our people, and if we make the mistake of putting a person on a Commission of this importance (if we create it and it is important) who would have

a vested interest, there is no guarantee that our peoples' interest would be heard first, or even at all. I would hope there is no Member who is involved by way of shares or otherwise who is going to cast a vote one way or the other on this resolution.

As far as a Public Utility Commission is concerned, I can associate myself with it because I feel it is fundamentally good for our people, and I feel the principles which would be enshrined in a Bill or any other measure will help to alleviate a state of affairs which I think are altogether wrong and not good for these Islands. I support it. I think it is good to have such a Commission, something backed by Law.

I am going to turn to the part of the resolution dealing specifically with Caribbean Utilities Company. As I said in opening no one can say that services, to a large extent, have not been good. None of us could say that here. But for many years the profit margin which allows this company to increase its rates (and there is nothing to stop them from doing so, even when such commodities they run on, such as fuel keep decreasing) has been a sore point. It certainly seems to me that the country is tied hand and foot to charges which perhaps result from extravagant evaluations of stock and capital equipment and profit. That is one reason I feel that a Public Utilities Commission is necessary - so a reasonable criteria for determination of those charges can be set out more precisely and watched more closely and the peoples interests will be protected more directly.

Over the years people have complained about deposits. Certainly, a person would feel bad about putting up high deposits yet his bills continue to escalate even when conditions are so favourable to the company's interests. What is this deposit? Where does it go? Does it come back to the people? Even when they have to pay for getting hooked up and all the rest of it? Time and time again persons have complained to me about their equipment (such as expensive video equipment and expensive refrigerators) being destroyed by power surges. There is no compensation from the company. I have one such case in point - I have had a lot, but this particular one struck home because this was a young couple just starting out and their equipment got destroyed and they wrote letters to no avail. Nothing could change the mind of the company. There was no sympathy for those people.

There are also many complaints from the commercial business sector about expensive generators and compressors being destroyed by power surges. There is no compensation. As I said, I feel this is a real disservice to the public, but the company has no sympathy. It must not be allowed to continue in this manner. Certainly, Government has done nothing about that aspect of it. Government has given in to the increases.

We praise the company all the time for what we believe to be good services, but situations the nature of which I have mentioned must be evaluated. That is one of the reasons we, again, are asking Government to negotiate with Caribbean Utilities Company and the present franchise. These matters need to be redressed.

Now on the matter of satisfactory services. I believe the services offered could be more technically efficient. It certainly should be more uniform. That is why we have the power surges and the lights. That is another reason for the commission. The question of technical efficiency is a technical matter, of course, and the test to be applied if any. The measurement of efficiency are matters of engineering techniques and expertise. Certainly, I do not know of any one now on Government who sits on that Board to have that kind of technical knowledge, even though they would have managerial ability.

Certainly, any Commission would be provided with an establishment according to its requirements and the demands of its functions, so a report of power surges and such technical defects or faults, or deficiencies, or malfunctions, if you may, would be subject to examinations and tests by the proficiency and technical staff of a good Commission. It would be established there, since any public utility commission would be bound to abide by established international procedures and standards. That alone should make the Government change its position and accept the resolution.

This would be possible with a good technical staff with the ability to examine and analyse investment figures, cost, depreciation and things which might be rendered out of date by technical advances, at the same time assess the advantage which might be gained by the operator of a utility adopting new discovery systems, which might cut to a fraction of the present cost the provision of these technical engineering services. With the technological advances made in the world today, this possibility should, at all times, be kept in the forefront on any utility company's board room agenda.

The provision of technical staff would be very important. I believe it would be a fundamental aspect of the Commission, and a fundamental aspect of what Government provides now, as a body, to work with Caribbean Utilities as against a proper commission set up and guided by law. That is the difference. The Commission in that position would be competent enough and have the power and ability to examine the things I mentioned and have the power to demand and require the latest technical innovations be installed. That is the root of the whole thing today. That is the question that should be applied to the Government bench if they desire to vote against this resolution.

I believe the resolution will fail. I have that feeling. My duty is to pinpoint a wrong in our community and try to establish a means of rectifying that wrong. These resolutions, if carried out properly, can assist our people in the disservices which are meted out to them. That is our fundamental duty. That is a fundamental duty of a government - not to put Members on the Board in the decision-making process, but a fundamental duty to provide technical staff which can look, dig up and (let us use all the common words) screw-up any situation which they might use to get an increase in rates.

This is another matter that it dare meet because I have had to sit for five years as a representative with complaints heaped upon me and heaped upon some Members now on the Government bench. I could do nothing. I daresay that we are in the position to do what is right by Government.

By Government, I mean the people who have elected us to serve them. I hope this would be another matter of a conscience vote in this House.

I move the resolution, accordingly, and I hope it will get favourable passage. I do not like to leave on a sour note, but I have my doubts it will.

**MR. PRESIDENT:** Does any Member wish to speak? [pause] Five minutes should provide a good time at least to get started. [pause] This is always difficult for the Chair, you know. We are all here for the same purpose, and that is to take forward the business of the House. [pause] Contrary to popular belief, the Chair has a great deal of patience.

The Honourable Member for Communications and Works.

**HON. LINFORD A. PIERSON:** Mr. President, as the Member under whose Portfolio the responsibility for Caribbean Utilities Company falls, it is my duty to speak to this Motion. Firstly, I wish to congratulate the Mover and Seconder of this Motion for the concerns expressed therein, particularly the Mover for his fine presentation and obvious in-depth study that went into his presentation.

I, too, at one stage was of the opinion that a public utilities commission was essential for the protection of our people, but having studied this matter in more detail, I am not of that opinion at this time. This Motion seeks to have the present franchise agreement between Government and Caribbean Utilities Company, Limited, amended by reviewing the profit margin, or the return of capital employed, guaranteed in the present franchise and other payments including deposits paid by the public, with a view to a reduction and such negotiations be finalised and reported in full to this honourable House. The second resolve section calls for the establishment of a public utilities commission to administer and regulate rates and compensation to the consumer and to safeguard the public's rights.

In speaking to this Motion I wish to first outline the provisions of the present franchise agreement between Government and Caribbean Utilities Company limited, which has and will continue to be honoured. Any major departure by Government from such an agreement would serve to project the Cayman Islands in a very bad light, indeed, as a country that does not honour the commitments made under agreements to which they are a party. This could cause irreparable damage to our reputation internationally.

For example, we now grant certain tax undertakings, under the Tax Concessions Law (Revised), the validity of which could be questioned and the reputation of these Islands as a stable financial centre placed in jeopardy if we were seen to be a country that changed undertakings under agreements when it suited us. We, therefore, have to most careful about tampering with agreements entered into, mainly on the basis we may have a disagreement with the private parties to such agreements.

While it is true this Motion addresses specifically the terms of the franchise with Caribbean Utilities Company Limited, I feel the establishment of a public utilities commission would eventually include other utilities, such as Cable and Wireless, the Water Company, etcetera. It could in effect infringe upon the agreements which Government has entered into with these utilities and could lead to unnecessary harassment, however unintentional, and possible unnecessary confrontation.

Provisions are now contained in the licences of franchises between Government and the various utility companies that should not be placed in jeopardy or in any way violated. This is not to say that Government will allow any utility company to act contrary to the best interest of the people of these Islands. As a matter of fact, the Government has ensured proper protection is already enshrined in the various agreements entered into by Government.

**MR. PRESIDENT:** At that point, we suspend proceedings until 2:15 P.M.

**HON. LINFORD A. PIERSON:** Thank you, Sir.

**AT 12:49 P.M. THE HOUSE SUSPENDED**

**HOUSE RESUMED AT 2:16 P.M.**

**MR. PRESIDENT:** Proceedings of the House are resumed. The Honourable Member for Communications and Works continuing, please.

**HON. LINFORD A. PIERSON:** Thank you, Mr. President.

At the break I had reached the point where I stated that provisions are contained in the various licences or franchises between Government and the various utility companies that should not be placed in jeopardy or in any way violated. I continued to say the Government will not allow utility companies to act contrary to the best interests of the people of the Cayman Islands.

An exclusive licence was granted to Caribbean Utilities Company effective the 17th of January, 1986, under the provisions of section 6 of the Cayman Islands Electricity Law, 1974. This licence superseded all previous licences granted by Government to Caribbean Utilities Company, Limited, and shall run for a period of 25 years from that date, with Caribbean Utilities Company having the right after 20 years to enter into negotiations with Government for the renewal of the licence upon the expiry of the 25 years. In other words, the renewal of the licence which became effective on the 17th of January, 1986, will expire in the year 2011. Central to the Government's position on this Motion, is the number of conditions in the licence which regulate the activities of Caribbean Utilities Company Limited and, thus, protects the people of these Islands.

Section 7(1) and (2) of the licence states: "Subject as herein

after appears..." and where I use the word, 'undertakers', this is meant to refer to Caribbean Utilities Company Limited, that is the meaning given in the licence:

"Subject as herein after appears the undertakers, or Caribbean Utilities Company, shall be bound and adhere to the tariff rates set out in schedule "A" annexed to the licence."

[I will read the rates under schedule "A" in a minute.]

"Within 21 days of the end of each financial year, the undertakers shall submit to the Financial Secretary of the Government, an interim return in the form set out in part "A" of schedule "C" annexed to this licence, containing the particulars referred to in such form in relation to the operations of the undertakers, which is Caribbean Utilities Company, during such financial year and stating the interim rate of return for that financial year, as calculated in accordance with the formula set out in part "B" of the said schedule "C", herein after referred to as the interim rate of return. Together with the undertakers on audited internal management accounts for the financial year in question. No expense amount for depreciation of any assets, item of inventory, prepayment or sum or working capital shall be taken into account for the purposes of determining an interim rate of return for any financial year under this clause in schedule "C", unless such expense amount, item, repayment, or sum has been reasonably and necessarily incurred, expended, made, and employed in producing the operating revenues for that year. No item shall be included or allowed in such determination as any figure in excess of its true and fair market value in the closest free and convenient continental market together with the costs and expenses of its transportation to and importation into the Cayman Islands."

In replying to this Motion, I will be making references to the various sections of this licence, as the whole question of whether or not Caribbean Utilities Company is being operated on a proper basis is contained in the licence signed between Government and that company.

As mentioned, Schedule "A" states;

"The rates which became effective in August, 1975, and these rates are also subject to fuel price adjustment, as approved by Government from time to time, in the event of variation in the price of fuel oil. The minimum charge per month is \$4.83. For the first 20 kilowatt hours, \$25.76. These may have been adjusted slightly, since this date. The next 30 kilowatt hours at \$20.52, then next 50 kilowatt hours, \$17.27, then 1900 kilowatt hours \$12.96 and over 2000, \$9.73."

This was rated in this graduated manner to also provide a convenience and make it that much more affordable to the small users as well as to the very big users. The fuel adjustment clause or formula is based on international standards and provides for adjustments, depending on the grade of fuel which is being used. I stated Caribbean Utilities Company, Limited, shall submit to the Financial Secretary of Government an interim return in the prescribed form in relation to the company's operation.

Section 7 paragraphs (3) and (4) reads:

"If the interim rate of return for any financial year exceeds 15 per cent, Caribbean Utilities Company shall in each bill, issue after the end of the month in which the relevant interim return is submitted, decrease the total charge levied in respect of kilowatt hours consumed, but excluding any adjustment made in respect to fuel pursuant to Clause 8, by one half of 1 per cent, for each whole fraction of one half of 1 per cent of such excess. If the interim rate of return for any financial year is less than 15 per cent, the undertakers, or Caribbean Utilities Company, may with the concurrence of the Government, which concurrence shall not be unreasonably withheld, increase the total charge levied in any bill in respect of kilowatt hours consumed."

It will be seen that section 7, paragraphs (3) and (4), of the licence provide specifically for the necessary adjustments where the interim rate of return for any financial year is more or less than the 15 per cent mentioned. So there is no question that there are presently no controls in place. There are the necessary controls contained in the licence which was signed between Caribbean Utilities Company and the Government. I will be dealing with whether or not there may be a necessity for a body to be set up as a watch dog to ensure that the terms and conditions of the licence are at all times abided by and complied with.

Among the various safeguards contained in the licence to protect the public is section 7(9) of the licence which gives Government the authority to cause an independent qualified auditor to make a separate and independent audit of all or any part of Caribbean Utilities Company's financial affairs, if this is deemed necessary. This section reads as follows:

"The Government may, at any time, at its expense cause an independent auditor being qualified, as set forth in subparagraph "A" of subclause (6) of this clause and not being employed in the public service to make a separate and independent audit of all or any part of Caribbean Utilities Company's financial affairs and for that purpose, such auditor shall

have the power to call for the production of books or papers in possession or the power of the undertakers and to inspect or make copies of or extracts from any such books and papers and at all reasonable times have access to and power to inspect with or without values of any property of the undertakers or any power of possession."

This is an area of the licence which if seen to be necessary Government will exercise its power under. I will deal with that in further details later on, also.

Therefore, it can be seen that the licence entered into by Government and Caribbean Utilities Company presently contains sufficient protection to consumers, even though I would agree it is Governments' responsibility to ensure the terms and conditions of a licence are at all times fully honoured by Caribbean Utilities Company or any other public utility which may be in question.

While Government may not see the need at this time to establish a public utilities commission in view of the conditions now contained in the licence, it is the view that a non-statutory advisory committee may be useful in reviewing requests for rate increases, adjustment of fuel factors, etcetera. Such an advisory committee, which could be comprised of technically qualified individuals from Government and the private sector, could be of invaluable assistance to Government in assessing requests for rate increases, etcetera, and advising Government accordingly.

Please understand that I am not suggesting here that any such Committee is now established. However, it has been strongly considered that such a non-statutory committee would probably be very useful. Such an advisory committee could accomplish the same desired results of a public utility commission without the danger of political involvement or interference. The main difference is that it would be free from, as I mentioned, political pressures or necessary harassment from the political arena. It could operate along similar lines as was mentioned by the Mover of the Motion. Such an advisory commission could, among other powers, enquire into the nature and extent of utility services and determine in accordance with the provisions of the licence the standards which must be maintained in relation to such services. It could also determine in accordance with the provisions of the licence the rates which may be charged with respect of utility services. It could ensure the utility company honoured the spirit as well as the letter of the licence, especially bearing in mind that such a company may be in a monopolistic position. It is against this background and against the background of what I have said, thus far, and particularly with the interest of these Islands and its people at heart, it is important that every effort must be made to protect the stability and reliability of the services which we receive from our utilities and other public and private companies established in the Cayman Islands.

We cannot afford to endanger the stability of these companies by allowing unnecessary interference into their operation, especially those companies have been established only after receiving certain undertakings from Government which they expect will be honoured.

For example, it is my understanding that one of the major factors which caused the problems with the public utilities companies in Jamaica, such as the Jamaica Public Service Company, the Jamaica Omnibus Services, and the Jamaica Telephone Company, was the interference and implementation of unreasonable policies by the Public Utilities Commission in that country.

This morning, reference was made to the United States of America. With respect to the Mover of the Motion, we are a long way from the status of that country. We must compare apples with apples. The United States of America... while it is a good example for us to follow, we could hardly compare the situation which obtains in that country in respect to their public utilities with ours.

I am in receipt of a letter which was sent to me at my address to the Chamber of Commerce recently in which one of the residents of this Island from Jamaica (a very influential man) was commenting on my address to the Chamber of Commerce. I will read a portion of this so Members and the listening public can have an idea of what damage a public utilities commission can do if it is put in the wrong hands. It reads:

"The electricity undertaking, Jamaica Public Service Commission Company, used to be owned by Stone and Webster, a Canadian company who provided an extremely efficient service. The PUC (meaning the public utilities commission) either rejected or reduced all requests for rate increases so that Stone and Webster sold its shares to the government, in sheer desperation and left.

Under Government ownership, the Islands have suffered from continuous power outages, with no relief in sight, despite the fact that electricity rates are now constantly increased without noticeable opposition from the PUC."

The letter went on to say;

"For some years British Electric Traction provided throughout Jamaica omnibus service, a clean, efficient and disciplined bus service in Kingston and St. Andrew. When they applied for rate increases, the PUC reaction was the same - rejections or reductions. As a result the Jamaica Omnibus service could not replace its busses, the service deteriorated and British Electric Traction sold out to the Government.

The Government could not run a bus service, even though it fixed the rates without interference from the PUC, and the running of bus services has now been returned to a mass of small, independent operators who do not provide an efficient or disciplined service

and whose requests for fare increases fall on deaf ears."

I am making reference to these facts because Jamaica is so closely aligned to us and has been a very close neighbour over the years. It is an island we have been able to watch, and learn from their mistakes.

The letter continued:

"Lastly, the Jamaica Telephone Company, which in the early 1950's was owned by Telephone and General Trust, an English company. They suffered the same responses from the Public Utilities Commission as did the other utilities and sold the company to Continental Telephone, a U.S. organisation, who in their turn also tried to provide good service and ultimately suffered the same fate with the PUC as had their predecessors. They in turn sold the company to the Government, and the country has complained about a rotten telephone service ever since. Despite rising rates set with or without the connivance of the PUC.

Recently the Government sold more than 50 per cent of the company to Cable and Wireless on the understanding that Cable and Wireless would provide any additional capital necessary for expansion, etcetera, and with the immediate intent of getting some foreign exchange for itself."

[It said here, and this is a bit of optimism:]

"If history repeats itself, Cable and Wireless will get the system in order and having done so will apply for a rate increase only to suffer the same fate as the other utilities."

I have taken time to make reference to this letter which, as I mentioned, is written by an outstanding resident in our community. I have given the examples to point out or to highlight the danger which can be caused by public utilities commissions which are subject to political considerations.

As mentioned earlier, I am not against the principles of a public utilities commission, but I do not believe that it is in our best interest at this point in time to create such a body. It should be fully understood, without any doubt, that Government will continue to monitor the operations of all utility companies established in the Cayman Islands. This will not be confined only to Caribbean Utilities Company Limited. These companies will have to rigidly abide by and comply with the conditions agreed upon with the Government under these various licences.

Mr. President, the views expressed in the Editorial of the *Caymanian Compass* of Tuesday, the 5th of September are well taken. However, there are certain views made there which are not necessarily the views of Government. It reads:

"That public utilities are often regarded with a certain amount of suspicion among the population is understandable.

They provide essential services without which businesses and homes couldn't function. If they are monopolies, as they often are, they operate without competition, and as private sector companies they operate with limited public supervision."

I cannot agree with that statement, because there is a properly instituted Board of Directors with three Government representatives on that Board, to ensure the Board functions and the company functions in accordance with the terms and conditions of the licence.

"Consumers wonder whether or not they get a fair deal under such conditions. They have to buy the product, but they cannot shop around to see if a better deal is available.

The hint of suspicion toward monopolies and utilities among the population is not unique to Cayman - in other countries, utilities and monopolies in general, whether they are private sector companies or government corporations, are regarded similarly.

There are doubts as to whether or not rates charged are justified, whether service provided could be better."

I think the Mover of this Motion stated that he has no question as to the level of competence of the Caribbean Utilities Company Limited. I think he has answered this query which is in the minds of the *Caymanian Compass*.

The Editorial continues:

"If the suspicions and doubts are justified or not, it is a good idea to provide reliable and independent supervision for such companies to eliminate distrust and misgivings."

I hope I have put to rest any doubts the papers may have had

regarding Government's intentions to closely monitor not only Caribbean Utilities Company but all our utility companies. I do not agree with them, that the creation of a public utilities commission is the answer. As I have suggested, the creation of a non-statutory public utilities advisory board may be a much better answer to the perceived problem.

In connection with this Editorial I must say I thought it was somewhat preemptive, that the Chairman of Caribbean Utilities Company should have replied to this before he heard the Government's response. I can understand they are somewhat anxious with the situation at present. I will not say anymore on that, but I will be talking to Mr. Imperato on this matter.

Whether Caribbean Utilities Company or any public utility company in the Cayman Islands can reasonably expect to maintain a proper level of operation could also be addressed by an advisory committee. Against this background, I recently saw an article in one of our papers from the managing director of Caribbean Utilities Company which contradicted some of the things we are trying put across in Government's reply to this Motion. The article said or alluded to the almost impossible situation for a company the size of Caribbean Utilities Company to maintain the level of return on capital employed as is contained in the licence. I will be discussing this more fully with the management of Caribbean Utilities Company because if it is their feeling that this is an almost impossible situation in the market today under our type of economy, then perhaps we may need to address this matter again.

Also, in dealing with these letters which have appeared from the management of Caribbean Utilities Company and other letters I have seen floating around, I trust Caribbean Utilities Company would not in any way try to impede their planned development on the basis of not receiving a 3 per cent, 4 per cent, 5 per cent or whatever increase as may be requested from time to time. I feel that in any company of that size sufficient profits should be retained so that such retained profits can be put into the future development of the company and also take care of their capital requirements. I will be dealing with the management of Caribbean Utilities Company on any question of having to stop any planned capital development projects on the basis of a 3 per cent increase from Government.

I feel that a first and good move is the appointment of a public utilities advisory committee for the purposes stated earlier. However, I do not think it is in the best interest of these Islands and the people of these Islands, and not now necessary, for the Government to establish a statutory body called a public utilities commission which could be under the direct influence of politicians.

Mr. President, I trust I have covered, in replying to this matter, the reasons why the Government bench does not feel it is possible, at this time, to accept this Motion. Again, I wish to congratulate and commend the Mover for the fine presentation which he did in presenting this Motion. But, because of the terms and conditions of the licence which we signed on the 17th of January, 1986, and because of our intentions to establish a non-statutory public utilities advisory committee, I do not see where it is necessary, at this time, for Government to agree to the establishment of a statutory body called a public utilities commission.

Thank you, Mr. President.

**MR. PRESIDENT:**

The Second Elected Member for Bodden Town.

**MR. FRANKLIN R. SMITH:**

Thank you, Mr. President.

I rise to support Private Member's Motion No. 20/89, review of Caribbean Utilities Company Limited's franchise and rates. I cannot clearly understand how such a large company like Caribbean Utilities Company shows no sympathy towards their customers who may (as the First Elected Member for West Bay (the Mover of the Motion) has said before) have a refrigerator or television or other appliances... through no fault of the customer, a power surge occurs and that piece of equipment is destroyed. Yet, they are collecting the bill from the customer whose equipment was destroyed. I believe that some consideration should be given towards this type of damage which occurs. I feel the company should be made to pay the consumer back for the damage which has been done.

Also, I find it hard to believe that Caribbean Utilities Company, when a customer wants to get hooked up to their power supply and that customer is 800 to 1000 feet away from the nearest supply line (which would require three or four light poles to reach them) makes that customer pay up front in the region of \$1,800. to \$2,400. A lot of times, even if they pay that money up front, a couple of months go by before they get hooked up.

I believe Caribbean Utilities Company in the long run is going to collect their money from other customers in that area also. That \$1,800 to \$2,400 should be collected on a monthly basis, of let us say \$50 or \$60 per month, until that \$1,800 or \$2,400 is paid off, because if no one ever hooked up to that in so many years' time, that customer loses that deposit. I believe something needs to be done about that.

Also, if Caribbean Utilities Company had an interest in helping this country to develop they would be prepared to provide electrical lines to where they can do business. For example, I will use a new subdivision with 60 house lots with the potential to be hooked up to their line. When the cost of that is collected up front it could amount to a big sum. Caribbean Utilities Company is in a position (as big a company as they are) to provide those lines there free of charge, even if they have to collect it back on a monthly basis at a determined rate.

I really cannot see where Caribbean Utilities Company is offering any help to the customers. The gripe I have... and I do not know if I can really put the blame on Cable and Wireless, I believe I have to put the blame on Governments for letting Cable and Wireless tear the road system up the way they do, and then Government in turn, has to resurface and spend extra money on that road. This happens all the time. I acknowledge we are getting service from these companies but they are also being paid for their service.



## POINT OF CLARIFICATION

**HON. LINFORD A. PIERSON:** Mr. President, just a point of clarification, if the Member would allow it.

**MR. PRESIDENT:** He has given way.

**HON. LINFORD A. PIERSON:** He has mentioned when Cable and Wireless works along the road Government has the expense to repair the road. This is not quite the case, Mr. President. Cable and Wireless and Caribbean Utilities Company usually cover their own costs for any damage done to the roads.

**MR. FRANKLIN R. SMITH:** I believe the Member could be right in the first instance but the majority of times the job they do is not satisfactory, and in a few months' or a few years' time the road deteriorates. Who pays then? Does Cable and Wireless re-pave it, or does the taxpayer? I am not denying they may do it in the first place, but it usually done in a haphazard way. No, Sir. I do not agree with that. It has to be redone again. I am not strictly putting the blame on Cable and Wireless for this job, I am putting the blame on Government, that they have not seen that it was well done in the first place! I will not bother to prolong this, Sir. I believe we need something done to help the customers of these companies.

Thank you.

**MR. PRESIDENT:** The First Elected Member for Bodden Town.

**MR. ROY BODDEN:** Mr. President, many years ago the great Edmund Burke, in an address to the Sheriff of Nottingham, said a politician must be three things: First, he must be a leader of his people; secondly, he should be one who educates and teaches them and, in the third instance, he should be an ombudsman - a buffer, a protector of his people's rights. It is in this last instance that I rise to give my support to this Motion, to which I have been recorded as the seconder, and which was so ably moved by my colleague in his own inimitable style.

I believe that our people need protection. Many times, and with all good intentions, politicians present and past have paid much lip service to the proverbial little man, but in few instances is the necessity greater than in this instance to come forward with some practical and feasible means of doing and paying more than lip service. This Motion is not one which seeks to castigate or to humble or break up empires or break up organisations or to break up businesses, it merely seeks to establish that the consumer has some protection. I would like to draw a reference (because we are often prone to modeling steps, decisions and movements of what goes on in other countries) since we are so close to the metropolitan country. I was looking through a magazine and very interestingly I came upon an advertisement for a book printed by Her Majesty's Stationary Office, entitled *In the Absence of Competition*, subtitled, *A Consumer's View of Public Utilities Regulations*. At the outset it poses the very pertinent question: Is there a danger that in the absence of competition key public utilities in private ownership will exploit their markets? Upon reading the book the reader gets the emphatic answer: Yes, there is.

I want to suggest also that in developing countries the situation is even more critical, even more prone because multi-national corporations very often have a monopoly. I would like to draw reference to, as my model once again, the great United States. This in one of the strong points. Deregulation - breaking up - we often talk about the free enterprise system. Are we truly a free enterprise system or do we only scream that when it suits us?

I know our market is small and I know there are not many people (many local people) who would be in a position to form conglomerates and amalgamations to compete and make substantial investments. That does not mean that we as politicians - as leaders of the people, as people entrusted and empowered with their confidence - can give up on protecting them, on lobbying for their rights, on arguing for their rights, on putting forward cases so that we can avoid their being taken advantage of, if those cases exist.

I would like to say from the outset that this is quite in order. I have to say (like the Principal of my old school) that I take a dim view of any corporation who dares to jest that Roy Bodden, a representative of the people, is ill-advised to take such a position. I am quite aware of the service these utilities offer. I might say I appreciate it, because an absence of such services would make life much more difficult in the Cayman Islands and, quite frankly, our populace would not want to retreat to that position. But, by the same token, that does not give them carte blanche to levy on us what they feel like levying.

It is rather difficult to say that small people are represented by Members of Government sitting on Boards of these corporations. In sociology we have a term called co-opted. It is often used by sociologists to describe people who are drawn in, who sometimes forget their positions. It is easy for us to get co-opted. It is easy for us to forget whose interest we should serve, whose interest we really represent.

I am concerned for many reasons, because my constituents complain to me that in instances where, for example, there are power surges and their amenities and equipment get destroyed, there is often no recourse, to the point where even if one were in a position to seek legal recourse, quite often they are told; 'We are sorry, we cannot represent you because we are prejudiced', which I take as a euphemism to mean that they are retained by someone else. So what happens? The equipment often has to be replaced at the expense of the consumer, whose fault it was not in the first place. But it was destroyed. Is that good enough? Is that a good enough excuse to say; 'Well, listen, so your equipment got burnt up, that is your tough luck, buddy! We are providing you with a service about which you really should not complain. Just take

your licks.' Yet, when these people say: 'But we have a substantial deposit, can we not get some easement?' The shoe does not fit on that foot. We, as politicians, should take the advice of Edmund Burke and try to be those ombudsmen; should try to be those buffers, those protectors of our constituents in these cases.

I for one, do not think that we are being unreasonable. Agreements to work and be effective must, in most cases, be a two-way street. You help me, I help you. Or as we say colloquially: 'You scratch my back, I scratch yours.' Why should we guarantee you in lean times a healthy profit margin which would make some of the firms on Wall Street envious, when you cannot give our people a break, sometimes? I mean, come on!

We are not seeking to break down, to nationalise, to redistribute, to force out of business, to drive off the Island; we are merely saying let us be considerate. Let us review, because we have 26,000 people, not all of whom are in a category where they can afford a \$1,000 a month for utility bills, even when on the international market the price of crude is down, when even at the gas pump we get a break. I do not understand the logic, and I make no pretenses of being an accountant, but it escapes me how, when the price of gasoline, diesel, kerosene, and lubricating oils and all the derivatives come down, the rates stay the same. That escapes me. Maybe I was not intended to be in the field I am in. I cannot see how even in the absence of the occupants for two months, the bill can be \$500, which is the same as it was when they were in the house. When they were not using the refrigerator, the washing machine, the VCR, the stereo. Somebody explain that to Roy Bodden, please, I beg you.

Mr. President, we are not singling out the utility companies for official opprobrium. We are just asking (because we are the representatives of our constituents) that some reasonable method could be derived whereby our people can feel comfortable with the rates, can feel that things are not onerous with them, can have some recourse in times when their amenities are burnt by power surges or destroyed through no fault of their own. I believe we must be some of the most loyal, some of the most dependable, some of the most honest consumers in the world, because we have a system where when we get the bill, the bill must be paid in total. And we do that without complaint. To my knowledge that is not necessarily the practice in many countries.

It is not that we are disloyal. It is not that we are unfaithful. Above all, it is a system which (although we have no choice) we go along with, appreciating the services for what they are, but just asking that some consideration be given. I would like this afternoon to stand here and say that I have confidence in the Government in the position they will take on this matter. But, unfortunately, I am not so convinced, because the nature of politics is such, that when you are a Backbencher you say you want a public utilities commission, but that might not necessarily be the same position once you can promote it. So, there is that side to the argument as well.

But there are those of us who are quite concerned, who are quite serious about this because we take the business of representing our constituents seriously - as it should be taken. We are not afraid because we do not think or do not perceive that we are doing anything wrong. We are merely asking for a little of what they call parity, in sports jargon - give us a break sometimes.

I have to say here again (as I had occasion to remark some time ago), it is fortunate for us that we are in such a forum and have taken such a civilised approach to this, because I know in some other Parliaments the debate would not be at this level at all. It would be some nationalistic fire burning and people would take a different line, because after all, these corporations are not fully Caymanian owned, so, in a way, all the money we are paying is not staying here. I grant that we have many Caymanian employees, who are doing well and these companies are making great strides and they are dedicated to helping our community in many respects (Sports, education, etcetera). But that does not give them a licence to kill us with levies, with high rates, high fines. If they are doing no wrong, I can see no objection to having established a public utilities commission - the purpose of which is to regulate, to take care not only of the public's interests or the consumers' interest, but also the company's interest, to protect the company from the consumer, as much as it protects the consumer from the company. Any reasonable man or any reasonable person would have to ask what is wrong with that.

I would again like to say that these companies provide a needed service which all of us appreciate. But we must not lose sight of the fact that we, the consuming public, are paying for those services. In some cases the Government is a guarantor for some of the funds used by some of these companies for some of their capital development and expenditure undertakings. We guarantee them a certain percentage return on their money. So I would seriously think that we are in a position to make reasonable demands as this Motion is doing.

There are some examples I find rather ludicrous. Sometimes I believe it may be a case of the company being unreasonable. For example, in one area of my constituency a utility pole was placed on a certain road six feet from where it should be. Instead of the utility company removing it, the Government is asked to cough up the \$1,500 for the removal of that. You tell me if that is not Shylock extracting a pound of flesh. I mean, these things are seemingly unreasonable. The very people who are so flexible, so considerate... We have an expression for that kind of exactness - we would say in the West Indian way, that is 'niggerish'. How can we be so unreasonable? How can we be so exact? Sometimes, from my knowledge and experience, I have difficulty differentiating between genuine and non-genuine, and in many cases these people make offers, but the offers are quid pro quo - they give something for something else.

I know there is no such thing as a free ride, and I appreciate that when stockholders invest their money they want to make returns on it. But I say also, when our constituents are loyal and honest they deserve breaks too. So I am saying there is a case for the establishment of a public utilities commission, in the Cayman Islands in 1989.

I think along the guidelines which were so ably moved by my

colleague, the First Elected Member for West Bay, we can establish such a commission. Such a commission which would be satisfactory to both the utilities companies and a commission which would be satisfactory to the consumers. I say again, it will be a protector. If there is nothing to fear, then what is the matter with establishing such a commission? There are such commissions in the United Kingdom. In the United States to a large extent, the public utilities are deregulated so competition is promoted. We talk about us being a free enterprise system. Well, if we are a free enterprise system then I am saying, in the absence of competition, we should have a public utilities commission.

Thank you.

**MR. PRESIDENT:**

Proceedings are suspended for 15 minutes.

**AT 3:20 P.M. THE HOUSE SUSPENDED**

**HOUSE RESUMED AT 3:38 P.M.**

**MR. PRESIDENT:**

Proceedings of the House are resumed on Private Member's Motion No. 20/89. [pause] I think we have been here before. Does any other Member wish to speak? The First Elected Member for the Lesser Islands.

**CAPT. MABRY S. KIRKCONNELL:**

Mr. President, I rise to speak on Private Member's Motion No. 20/89, review of the Caribbean Utilities Company Limited, franchise and rates.

This Motion gives me great concern and I think we should all realise that a company operating under a franchise operates under quite different conditions than an ordinary company. A company under a franchise is obligated to meet the demands of a growing population. Therefore, they do not expand at a rate that, often times, they are able to finance on their own, but they are forced to go beyond.

I speak here, having had experience as a manager of Cayman Brac Power and Light for 12 years prior to coming to this House. I know many times the directors expressed to me that we should not further extend our expenditures, but it was our responsibility to supply current under a licence granted by the Cayman Islands Government and we were forced to go into debt, far beyond what we, the directors, felt was a safe limit. But the obligation was there to provide the necessary current. These things, we must realise, put a terrific burden on the management of these companies. Therefore, they must have long term licences and guaranteed by Government under the terms and conditions under which they will operate.

I think the Cayman Islands are very fortunate. They have utility companies that have provided first class electrical services and also the telephone company. I do not think it is wise for us at this time, although all of us would like to see certain things corrected, I do not think it is advisable for us to create additional bureaucracy where it would be an additional financial burden to this country. Ultimately, that will be passed on to the Caymanian public.

I think what the Honourable Member has said about an advisory committee of a non-statutory nature can be very useful and probably perform the same duties as what they would like a Utility Commission to do. I caution Members of this House, although we are enjoying extreme prosperity at this time, we must prepare that we could have leaner days in the future. The more bureaucracy, the larger our Civil Service grows, the larger our expenditure will be.

I have listened very carefully to all that has been said and each Member who has spoken has made some sound points. But I do feel we must look at both sides of this situation, realising the shareholders of the utility companies have a terrific responsibility in a community which is growing. The need for their services are expanding as rapidly as they can, particularly on the Island of Grand Cayman.

Millions of dollars have been invested. They must project for the future, and I do not feel at this time it would be wise for us, as legislators, to enact legislation here, which would in any way infringe on signed agreements made by our Government because we certainly should not do anything which would, in any way, reflect the credibility of our Government. In that view I cannot support the Motion.

Thank you, Sir.

**MR. PRESIDENT:**

Does any other Member wish to speak? [pause] In that case would the Mover wish to exercise his right of reply?

**MR. W. McKEEVA BUSH:**

Mr. President, I was hoping to have the night at my disposal to reply. If any Member wishes to contribute to the debate, with your blessing, Sir, I would give way.

**MR. GILBERT A. McLEAN:**

Mr. President, I was waiting for a colleague of mine to return whom I understood was speaking, but I would like to speak if, indeed, I would be allowed. I would appreciate that.

**MR. PRESIDENT:**

I find myself in a very difficult position. I am castigated on the one hand for being too strict about Standing Orders and then, on the other hand, for being too flexible. Hold on. If you wish to speak, do rise. I am quite willing to hear the views of Members on this matter.

**MR. ROY BODDEN:**

We could put it to a vote, Sir.

**MR. PRESIDENT:**

I do not think that is allowed under Standing Orders, strictly

speaking. I have the feeling that we should proceed with the Mover replying, I think.

**HON. LINFORD A. PIERSON:** Mr. President, I was just going to mention that I feel you have already recognised the Mover of the Motion. Members were not available, so he should speak.

**MR. PRESIDENT:** I think the House looks to me to be in the mood to accept that.  
Would you please reply?

**MR. W. McKEEVA BUSH:** Mr. President, this is a very important resolution. Before I proceed to answer I would make the point that I hope Members of Council will be released from collective responsibility, as I believe the Member replying for Government will vote with us. Maybe even the Third Elected Member for North Side, seeing as when they were on this side of the House they stood so strongly with me on these issues that are now before the House. Releasing collective responsibility would reflect the true position of Members feelings on this matter.

It is a sad fact that every time we seek to get something done, especially when it comes from this side of the House, we are confronted with negativism. There is never any real optimism of getting the particular thing done. We are always told of the difficulty - like the National Fund for Training and Education. Always negativeness, when optimism should prevail, especially with issues as important as this particular item under discussion. There should be wide optimism because we are trying to assist our people.

In February of this year this matter and a similar resolution was put to the four Elected Members of Executive Council. They asked us to withdraw it and told us they would bring a law. That law has not yet materialised. A few weeks ago, as the Member replying for Government said, he was akin to supporting this resolution. While I know it was probably headed for failure, I am somewhat surprised that such a matter which affects the public and which has evoked so much public concern is not being taken to where we could help our people.

Certainly, the announcement of an advisory committee can only be taken in the light that Government has already sat down and discussed with Caribbean Utilities Company, in particular, and had Members of Government on the Board of Caribbean Utilities. However, taking those things into consideration the situation and the issues (as mentioned by myself and other Members) which are affecting our people have not been addressed in the past. At least not in the way which have brought any relief to our people. Certainly, I do not know how that advisory committee is going to work. It will have no lawfulness to it being a non-statutory group.

Mr. President, taking the fact that Government has Members on the Board and now is about to set up their own advisory committee, I have to question who will sit? What are their qualifications? What will be their terms of reference? Earlier in the opening I talked about the type of people Government puts on the Board. They are not accountants, they are not technical people. I question why has Government not seen fit to invoke clause 9 of this agreement where they can set up independent audits of the financial affairs of those utility companies?

**HON. LINFORD A. PIERSON:** With the permission of the Member, I would like to explain that point which he has just raised.

Section 9 of the licence signed by Government and Caribbean Utilities on the 17th of January, 1986 does, in fact, make provision for an independent audit of the financial statements of Caribbean Utilities Company, if seen to be necessary. I would like to inform the House that this process is now being done.

**MR. W. McKEEVA BUSH:** Mr. President, I am very glad to hear that it is being done because if we look at the annual reports of Caribbean Utilities we find that all is not as rosy as what they are trying to make people believe.

I am no accountant, but if we look at the current assets against their current liabilities we find there is much cause for concern. There is a difference of \$4 million in assets to liabilities and this is alarming. This is very alarming and I do not know why I have not heard that from Government because certainly a public...

**HON. LINFORD A. PIERSON:** Mr. President, if the Member would allow me. He has made reference to a figure of \$4 million. For clarity, perhaps he could explain that a bit further so that not only Members of the House, but the listening public can understand exactly what he is talking about.

**MR. W. McKEEVA BUSH:** Mr. President, surely the Member does not expect me to undertake his job. I am not speaking derogatorily now, I am being very kind. The Member is a good accountant and in his presentation I would have expected such an issue to be brought to light because on this side we are saying; 'Look, there is something to be concerned about.' Government is saying 'no, no, no. The position is too good. You leave it alone.' No, Sir. I am not an accountant and I am not going to undertake to analyse these figures. This is a public document. I would have liked to sit home tonight with the help of some accountant to analyse them. I did not have that chance. Therefore, I really cannot take any more interruptions.

It is alarming, it is very alarming. Liabilities, currently \$8,643,912; current assets \$4,157,152. That does not speak good and we have concerns about it. I will put that document on the table of the House, although it is already a public document.

Instead of us being accused of infringing agreements (I believe the First Elected Member for the Lesser Islands called it), we are not trying to do that in any shape or form. We are as responsible as anyone else. We are not trying to hurt any shareholder. We are trying to preserve investments, which is part of job a commission would do, because someday somebody is going to say we cannot honour your shares. If they cannot cover their liabilities, who is going to pick up the slack? We would have to do with that the same as we are doing for Cayman Airways - give it money.

So that argument does not hold any water. Government already guarantees, and they would have to guarantee further if steps are not taken other than what Government is now doing. The Member replying on behalf of Government said that because of their intention to establish this non-statutory advisory body and because of the possibility of infringing in clauses in the agreement, Government cannot support this resolution.

I note that there was nothing said about the power surges. There was nothing said about the very current issue of another 3 per cent rate increase. I really expected to hear something along those lines telling us why and telling us maybe, I would have hoped they were not going to grant that 3 per cent rate increase. I really do not buy their arguments. I know the Member did his best in putting forward Executive Council's position, but it does not hold any water whatsoever. I turn now to the Member replying and his remarks. Before I get to that, in talking and elaborating on the Executive Council's position the Member did talk about rates and referred to rates. I have to wonder whether Government and the utility companies consider, in arriving at what are reasonable charges, the method that should be laid down. Is it not so that one year of above average profitability should be taken together with another year of below average profitability, so that return is assessed over a longer period? Would that not assist our people better?

It is well known at times of expansion involving heavy capital investment or work of installation that profit returns are apt to be low for two reasons: You are spending more money and you are working, generally, below the volume of the services you supply. You have to suspend services in order to carry out installation or is it that services are suspended for some time but is not reflected in the consumers bill. I have to wonder that while you may be on furlough for a month - everything electrical is shut off in your house, no air-conditioning, no electric stove, no dish washer, no dryer, nothing that really burns current, no ironing - you come back after a month and your bill has escalated. I have to wonder.

I say profitability should not be judged on each year by itself, but over a period taking the bad with the good. But is that the position? If that is not the position where then is the protection that I have heard is imbedded in the agreement?

I cannot agree that this agreement with Caribbean Utilities and Cayman Islands Government is something that is protecting our people. I am really surprised that the First Elected Member for the Lesser Islands is not supporting this resolution because to show an anomaly of what I say is strict departure from the protection of the people and the interests of the company, one has to look... and I say it is an anomaly that the fact that the man that sits on Cayman Brac Power and Light Company Board is no other than the Secretary of the Caribbean Utilities Company here. He is a Director. I am not judging anybody, but business is business. We know that. That does not argue well with those people in Cayman Brac! That Member should cast his vote with us. However it is his democratic right to do as he pleases. But his argument, too, does not hold any water.

I turn now to some of the remarks made by the Member from Government.

**MR. PRESIDENT:** Before you go on, we are now just on 4:30 P.M. Would the House wish to continue to complete this Motion this evening? It looks to me as though Members wish to go on, is that correct? Please move accordingly.

#### SUSPENSION OF STANDING ORDER 10(2)

**HON. THOMAS C. JEFFERSON:** Mr. President, under Standing Order 83, I move the suspension of Standing Order 10(2) to allow the Member to finish his winding up.

**MR. PRESIDENT:** The question is that Standing Order 10(2) be suspended to enable the winding up of this debate on this Motion be completed. I shall put the question. Those in favour please say Aye...Those against No.

**AYES.**

**MR. PRESIDENT:** The ayes have it. Please continue.

**AGREED. STANDING ORDER 10(2) SUSPENDED.**

**MR. W. McKEEVA BUSH:** Mr. President, I will try to wind up as quickly as possible. In opening his address, the Member replying for Government remarked about losing international confidence if we sought to look into an agreement. You know, I think that is really unfair because I have heard that story told before. Can we lose international confidence by looking at things like power surges or things of that nature? No, Sir. I tell you what I feel will lose international confidence in this country - the fact that Government cannot do anything about the situation, that people can become so aggrieved that the good relationship which has existed over the years between the public and the companies will deteriorate

and people will get aggravated because there is no satisfaction, there is no redress. And that agreement they claim they have cannot help the people in this country any more than what they have already been doing.

Those controls which are in place now do not help the situation, they perpetuate it if they do anything. The system which is already in place where assets can be inflated and not reflect a true position, that is what that agreement will perpetuate. At the end, who will suffer? The people of these Islands and the shareholders.

I have to take issue with the Honourable Member's statement that an advisory committee, a non-statutory board or committee, would help because there would not be the political interference. That is the joke of the century. Who would appoint the board? Would it not be politicians? Would they not appoint their close supporters who abide by the wishes of the Executive Council Member who appointed them? Political interference would have to be ruled out in more ways than one. That argument I do not buy either.

The other argument which I take issue with is the statement that we cannot look at the American system, but we must look at the Jamaican experience. The Jamaican experience has no place in this debate. But since that matter arose, just let me say a little bit about the plight of the poor people of Jamaica and what caused the nationalisation. The situation, as I understand some of it to be, was the fact that an electricity company operating there from the early days looked for one thing only - profit. In some instances it was guaranteed as much as 40 per cent. They would go into the heavily populated rich areas where they were assured a high return and the poor areas were continually neglected. Electrical development was not available for the vast majority of the people in the hill sides and out in the byways. What happened? A government came along who said they were for the poor people, they wanted to see electricity development and they nationalised those companies.

Perhaps that is where some of the problems started. What I have said here might be just a brief over view of the Jamaican experience, and I am not saying there are not other factors. But you can hardly compare Cayman to that position. I really have to object to the Member talking about comparing apples to apples, and that we are not like America and we have to look at the Jamaican experience. Our system, as a whole, cannot be compared with the Jamaica system and the Jamaican way of life and how they do things. We have had some association in the past. We still do. So when I say we cannot compare our system, I am not saying anything in a derogatory manner. But, really, it is as far away as east is from west. That, too, holds no water.

Mr. President, I trust those Members voting against this resolution will explain to their people why, because the resolution has two parts. They will further explain why the people have to receive the kind of disservice, in terms of power surges destroying their expensive equipment. I trust also, that if nothing else materialises from this resolution it will serve as notice to relevant companies that while there may be some Elected Members who have interests one way or the other, there are those of us whose only interest is to protect our people from unfair practices and from monopoly positions. We, on this side of the House (the majority, I believe) intend to work along those lines accordingly.

Now, I would hope that any Member here who has an interest (whichever way this matter goes) will not vote on this matter as provided under Standing Orders. Remember who we are trying to help.

In conclusion, I am real sorry that Government has once again thrown out a very worthwhile resolution. Again, I say there should be a conscience vote, if nothing else, to prove to me how Members can change when they walk across the aisle and sit on the Government bench, because I have not had that experience. I thank Members for their support and I would hope that any technical advisory committee set up will be in a technical position to examine power surges, malfunctions, and all those things I mentioned this morning, because certainly in those areas there is much disservice to our people and the Government cannot really help with this agreement. The sad thing is we have until 2011 before this thing expires. Think of the changes which takes place in one society in 20 years. They can sit contented and not accept either part of this resolution.

I hope, at this very late hour, they would change their minds and vote with us on this Motion.

Thank you, Sir.

**MR. PRESIDENT:** I shall now put the question on Private Member's Motion No. 20/89. Would those in favour please say aye...Those against No.

**AYES & NOES**

**MR. PRESIDENT:** I could not really make the voices. Could we have a division, please, Clerk?

**CLERK:**

**DIVISION NO. 22/89**

**AYES: 7**

Mr. W. McKeever Bush  
Mr. John D. Jefferson, Jr  
Mr. Truman M. Bodden

**NOES: 8**

Hon. Thomas C. Jefferson  
Hon. Richard W. Ground  
Hon. J. Lemuel Hurlston

Mr. Gilbert A. McLean  
Mr. Roy Bodden  
Mr. Franklin R. Smith  
Mr. John B. McLean

Hon. W. Norman Bodden  
Hon. Benson O. Ebanks  
Hon. D. Ezzard Miller  
Hon. Linford A. Pierson  
Capt. Mabry S. Kirkconnell

**MR. PRESIDENT:**  
Motion therefore fails.

The result of the division is seven Ayes and eight Noes. The

**PRIVATE MEMBER'S MOTION NO. 20/89 NEGATIVED.**

**PERSONAL PECUNIARY INTEREST  
STANDING ORDER 80**

**MR. W. McKEEVA BUSH:**

Mr. President I rise under Standing Order 80, and would ask you to take that matter into consideration, seeing as there are Members of the Government bench who sit on the Board of Caribbean Utilities. There could be some who have shares in Cayman Water Company, and there could be one who has shares in Cayman Brac Power and Light, I believe that would fall under the relevant Standing Order 80.

**MR. PRESIDENT:**

Thank you, I would be grateful if you would let me have in writing the Members to whom you refer, otherwise it is rather difficult for me. In writing I think would be appropriate. Just a note.

Could I explain a bit further that no Member has declared such an interest. I have not been asked to consider it in those terms. The vote has been taken. If your belief now is that Members should have declared their interest, it is entirely proper for you to bring that to the attention of the Chair, which you have done. I am now asking if you would kindly let me have a note in writing so I can go into the matter.

**MR. W. McKEEVA BUSH:**  
who are in that position.

I will do that, Mr. President, because there are Members here

**MR. PRESIDENT:**

Thank you.

**ADJOURNMENT**

**HON. THOMAS C. JEFFERSON:**  
House until 10:00 tomorrow morning.

Mr. President, I move the adjournment of this Honourable

**MR. PRESIDENT:**  
tomorrow morning.

The question is that the House do stand adjourned until 10:00

against No.

I shall put the question. Those in favour please say Aye...Those

**AYES.**

**MR. PRESIDENT:**  
Wednesday morning at 10 o'clock.

The Ayes have it. The House is accordingly adjourned until

**AT 4:47 P.M. THE HOUSE STOOD ADJOURNED UNTIL 10:00 A.M., WEDNESDAY, 13TH SEPTEMBER, 1989.**

**WEDNESDAY  
13TH SEPTEMBER, 1989  
10:05 A.M.**

**MR. PRESIDENT:**  
and Culture.

Prayers by the Honourable Member for Education, Recreation

**PRAYERS**

**HON. W. NORMAN BODDEN:**

Let us Pray.

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, the Queen Mother, Phillip Duke of Edinburgh, Charles Prince of Wales, Diana Princess 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 Members of Executive Council and Members of the Legislative Assembly that they may be enabled faithfully to perform the responsible duties of their high office.

All this we ask for Thy great Name's sake, Amen.

Our Father, who art in Heaven, Hallowed be Thy Name, Thy Kingdom come, Thy will be done, in earth as it is in Heaven. Give us this day our daily bread: And forgive us our trespasses, as we forgive them that trespass against us: And lead us not into temptation; but deliver us from evil: For Thine is the Kingdom, the power and the glory, for ever 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 His countenance upon us and give us peace now and always. Amen.

**MR. PRESIDENT:**

Proceedings of the House are resumed.

Questions. In the temporary absence of the Honourable First Official Member, we will go to Question No. 100 first. The Second Elected Member for the Lesser Islands, please.

**QUESTIONS TO HONOURABLE MEMBERS**

**THE SECOND ELECTED MEMBER FOR THE LESSER ISLANDS TO ASK THE HONOURABLE MEMBER RESPONSIBLE FOR COMMUNICATIONS WORKS AND NATURAL RESOURCES**

**NO. 100:** Would the Honourable Member say: a) How many contracts for works of over CI\$25,000 have been awarded since November, 1988 to date; b) What have been the amounts of each contract; and c) To whom have the contracts been awarded?

**HON. LINFORD A. PIERSON:**

Mr. President, the answer: a) Within Public Works Department eight contracts have been awarded for works over \$25,000.00 since November, 1988 to 31st August, 1989; and b) and c) The amounts of each contract and to whom they have been awarded are as follows:

1. Control Specialists Company - 3# traffic signals	US\$185,170.00
2. Unit Construction Ltd GCFS paint shop building	43,840.00
3. Chalmers/Gibbs/Martin/Joseph PS - abattoir building	35,000.00
4. Owen E Ebanks - recompression chamber building George Town Hospital	25,077.60
5. Columbus Ltd. - office screening	36,440.60
6. Rollin Ebanks - West Bay sports centre	126,618.00
7. Insulation Restoration & Coatings Ltd. - re-roofing Legislative Building	29,876.80
8. Insulation Restoration & Coatings Ltd. - re-roofing 3# buildings, CIHS	42,341.18

In addition, the following contracts are in the final stages of award: a) Eiford Dilbert - Assembly Hall, George Town Primary School, \$323,842.22; b) David Lashley & Partners - MGTP Design Phase I Projects, US\$467,730.00; c) McAlpine Ltd - sidewalks, West Bay Road, \$500,000.0

**SUPPLEMENTARIES:**

**MR. GILBERT A. McLEAN:**

Thank you, Mr. President.  
Would the Member say if Public Works had anything to do with



the awarding of the contract for the Port Authority?

**HON. LINFORD A. PIERSON:** Mr. President, the Port Authority is governed under the Port Authority Law. It is a Statutory Body and all contracts would be awarded through its Board of Directors.

**MR. PRESIDENT:** The Third Elected Member for George Town.

**MR. TRUMAN M. BODDEN:** Mr. President, would the Member have the information on what contracts may have been awarded by the Port Authority or by any other statutory corporation, under him?

**MR. PRESIDENT:** I think that is outside the ambit of the original question.

**MR. TRUMAN M. BODDEN:** Yes, Sir. That is why I put it "would" the Member have the information.

**MR. PRESIDENT:** He is welcome to undertake to give it to you, but he has no need to.

**MR. TRUMAN M. BODDEN:** I abide by your ruling on that.

**HON. LINFORD A. PIERSON:** I do not have that information available, Mr. President, but I would be happy to provide this to the Member in writing.

**MR. PRESIDENT:** The Elected Member for East End.

**MR. JOHN B. McLEAN:** Supplementary, Mr. President. I wonder if the Member could say whether such contracts, as mentioned in his answer, are monitored by the Public Works Department?

**HON. LINFORD A. PIERSON:** Yes, Mr. President, as far as I know they are all monitored through the Public Works Department.

**MR. GILBERT A. McLEAN:** Mr. President, would the Member say if in awarding these contracts they are signed contracts with penalty clauses which prohibit overruns to Government?

**HON. LINFORD A. PIERSON:** Mr. President, the contract used through Public Works is a standard contract provided by Government.

**MR. GILBERT A. McLEAN:** Mr. President, I thought I asked if there were any penalty clauses in it, where contractors stand to be penalized if there were overruns?

**HON. LINFORD A. PIERSON:** The answer directly, Mr. President, is yes.

**MR. PRESIDENT:** We move to Question No. 101, please.  
The Second Elected Member for Lesser Islands.

**THE SECOND ELECTED MEMBER FOR THE LESSER ISLANDS TO ASK THE HONOURABLE ELECTED MEMBER RESPONSIBLE FOR INTERNAL AND EXTERNAL AFFAIRS**

**NO. 101:** Would the Honourable Member say whether any random drug testing has been carried out in any departments of Government in recent times? If the reply is in the affirmative, which departments and have any of the tests been positive?

**HON. J. LEMUEL HURLSTON:** Under the terms of General Orders (Ch.18 Paragraphs 1(3)&(4)), officers in the public service may be required, at the discretion of their Heads of Department, to submit themselves without notice to screening tests for the illicit use of drugs of abuse, including alcohol. I shall confine my answer to drugs of abuse and the following figures do not refer to tests for alcohol.

Since 14th of March, 1988, when the George Town Hospital started their own drug screening programmes, 303 urine screening tests have been performed upon officers in the public service. Of those 303 tests, one proved positive for cocaine and one was positive for cannabis. Cocaine and cannabis are the only drugs routinely screened.

**SUPPLEMENTARIES:**

**MR. GILBERT A. McLEAN:** Thank you, Mr. President.  
In the substantive question I asked which Department. I have not seen any particular Department stated here in the answer. I wonder if the Member could say why?

**HON. J. LEMUEL HURLSTON:** Yes, Mr. President.

The terms of the General Orders apply to the Public Service in general and it is Government's policy to deal with these matters as internal disciplinary offences. As such, it is felt that giving the identification of data in respect to individual departments is not appropriate. To give the data in respect to the Public Service in total is preferred.

**MR. GILBERT A. McLEAN:** Mr. President, would the Member say in the case where there was one found positive, whether any type of penalties have been taken in respect of that case?

**HON. J. LEMUJEL HURLSTON:** No, Mr. President, I cannot confirm the results of the disciplinary proceedings, because all disciplinary proceedings have not yet been concluded. I can, however, give Members the assurance that the offences are considered serious and are severely disciplined.

**MR. PRESIDENT:** We will go back in the Order Paper to Question No. 99, please. The Second Elected Member for the Lesser Islands.

#### **THE SECOND ELECTED MEMBER FOR THE LESSER ISLANDS TO ASK THE HONOURABLE ELECTED MEMBER RESPONSIBLE FOR FINANCE AND DEVELOPMENT**

**NO. 99:** Would the Honourable Member say what is the process by which Government, or any statutory board, awards substantial contracts for works?

**HON. THOMAS C. JEFFERSON:** Mr. President, the process by which Government awards substantial contracts for works is set out in Chapter 8 of the Financial & Stores Regulations (1986).

Contracts valued at \$100,000 or less may be handled departmentally by a Departmental Tender Committee. Contracts in excess of \$100,000 come under the purview of the Central Tender Committee, which is Chaired by the Deputy Financial Secretary and comprises of two other senior civil servants and three private sector members.

The standard process in both instances involves the following stages:

- (i) Preparation of tender information and pre-qualification, where appropriate;
- (ii) Issuing of tender information, by advertising and/or by direct delivery to pre-qualified tenders;
- (iii) Receipt and evaluation of bids; and
- (iv) Award of contract.

Statutory boards are themselves responsible by Law for awarding contracts, customarily handled by a Tenders' Committee of the Board involved.

#### **SUPPLEMENTARIES:**

**MR. GILBERT A. McLEAN:** Mr. President, would the Member say (for the sake of clarity) if departments of Government are allowed to award contracts for work and if there is no central means by which Government deals with this process, except in cases of over \$100,000?

**HON. THOMAS C. JEFFERSON:** Mr. President, Department Heads, in dealing with sums of money less than \$100,000, are required to obtain more than one bid for this particular service. Thus, they deal with it in that way. In cases of larger contracts, over \$100,000, it is generally under the purview of the Public Tenders Committee. There is, Mr. President, in the Allgrove Report done on Public Works, a recommendation that Public Works in some cases be allowed to have latitude up to \$300,000. On occasion that has happened, as in the case of the answer given by the Honourable Member for Communications and Works.

**MR. GILBERT A. McLEAN:** Mr. President, would the Member say if there are not certain difficulties inherent in this present process by which Government deals with the awards of contracts, seeing as there may be 20 Heads of Departments who are not necessarily versed in the whole matter of the award of contracts?

**HON. THOMAS C. JEFFERSON:** Mr. President, I can only answer that by referring back to the Financial and Stores Regulation, Chapter 8, which sets out very clearly the procedure that the Heads of Departments should follow.

**MR. PRESIDENT:** The Third Elected Member for George Town.

**MR. TRUMAN M. BODDEN:** Mr. President, at the last Public Accounts Committee of a year ago, I saw where the Public Works Department may not have been complying fully with these regulations. I am

wondering if they are now complying fully or whether there have been alterations in relation to the awards of contracts by them?

**HON. THOMAS C. JEFFERSON:** I think if we take it back, Mr. President, to the early 1980s there was no specific guideline even for the Public Tenders Committee to utilise, except there was an established practice over the years. But since the coming into force of the Financial and Stores Regulation, all departments are required to live by the rules of it. The only exception is that which I mentioned earlier, in regards to Public Works and then only in specific cases.

**MR. PRESIDENT:** We move to Item 3 on today's Order Paper. Government Business. Bills, the suspension of Standing Order 46, the Honourable First Official Member.

## **GOVERNMENT BUSINESS**

### **BILLS**

#### **SUSPENSION OF STANDING ORDER 46**

**HON. THOMAS C. JEFFERSON:** Mr. President, in accordance with Standing Order 83, I move the suspension of Standing Order 46 to allow the Traffic (Amendment) Bill, to be taken through its First and Second Readings.

**MR. PRESIDENT:** The question is that Standing Order 46 be suspended to enable the First and Second Readings of the Traffic (Amendment) Bill, 1989 to be taken.

I shall put the question. Those in favour please say Aye...Those against No.

**AYES.**

**MR. PRESIDENT:** The Ayes have it.

**AGREED. STANDING ORDER 46 SUSPENDED.**

**MR. PRESIDENT:** Bills First Reading.

### **FIRST READINGS**

#### **THE TRAFFIC (AMENDMENT) BILL, 1989**

**CLERK:** The Traffic (Amendment) Bill, 1989.

**MR. PRESIDENT:** A Bill entitled, The Traffic (Amendment) Bill, 1989, is deemed to have been read a first time and is set down for Second Reading.  
Bills Second Reading.

### **SECOND READINGS**

#### **THE TRAFFIC (AMENDMENT) BILL, 1989**

**CLERK:** The Traffic (Amendment) Bill, 1989.

**MR. PRESIDENT:** The Honourable Member for Communications and Works.

**HON. LINFORD A. PIERSON:** Mr. President, I beg to move the Second Reading of a Bill shortly entitled, The Traffic (Amendment) Number 2 Law, 1989.

Mr. President, as will be seen, it was necessary to suspend Standing Order 46 to allow this Bill to be taken at this time. However, for the information of the listening public I would like them to know this was not sprung on the House. We had, in fact, met a few days ago and discussed this matter at which time they were briefed on the contents of this Bill and we got (in principle) support on it. I trust their position has not changed since then.

In the May meeting of this House an amendment to the Traffic Law (Revised) was passed which created a new class of two-wheeled vehicles of 80 cubic centimeters or less to be called motor scooters. To enable visitor's permits to be issued to the holders of foreign motor car and similar licences to drive such motor scooters. During the May meeting, an amendment to section 2 of the Traffic Law (Revised) also inserted a new definition of a new motor scooter which now means any mechanically propelled vehicle having two road wheels used for the transport of people with a power unit of a cylindrical capacity of 80ccs or less, and having no gears or clutch which requires operation by the rider. However, at very short notice, a Committee stage amendment was also passed during that meeting which lifted the import restrictions on motorcycles with higher cubic centimeters than the 80 then allowed under the Law. Members recall that was one of

the few Motions that the Backbenchers defeated in this House. It was not the wish of the Government Bench to lift this completely, but we were defeated by our Backbenchers on that occasion. So this open door policy, Mr. President, for all size motorcycles to be brought into this country was not initially the intention of the Government Bench.

The section which was repealed as a result of that Motion which was brought to the House was section 13 of the Traffic Law (Revised). That section reads:

"No motorcycle having a cylinder capacity in excess of ninety cubic centimeters and no parts for any such motorcycle shall be imported into the Islands other than for use by the Royal Cayman Islands Police Force."

This was the section which was repealed. As a result, it was seen to be necessary (in view of the fact that all size motorcycles can now be brought into the Islands) to bring about certain safeguards to the use of these very large and powerful motorcycles. As a matter of fact, that amendment Bill opened the door for the importation of motorcycles of unlimited size and cubic centimeter. Therefore, in view of this and with the safety of users uppermost in mind, it was decided to introduce the amendment before us today. As stated, it will be necessary for us to also amend certain areas of the regulations.

The Memorandum of Objects and Reasons of this Bill are as follows: Clause 2 of this Bill seeks to amend the Traffic Law (Revised) so as to make a distinction between motorcycles with a cylindrical capacity not exceeding 125 cubic centimeters (ccs) and those with a cylindrical capacity exceeding 125 cubic centimeters. To effect this distinction a new group of licence is sought to be created for motorcycles with a cylinder capacity in excess of 125 cubic centimeters.

Clause 3 seeks to amend the provisional licence requirements of section 39 to facilitate the granting of provisional licences for the new category of motorcycles with a cylinder capacity in excess of 125 cubic centimeters. This clause also seeks to provide that in order to qualify for a provisional licence of the category of motorcycles, the applicants must have held a full driver's licence for a motorcycle not exceeding 125 cubic centimeters for a period of at least two years prior to this application.

Mr. President, as mentioned, necessary regulations will simultaneously be made by the Governor in Council by sections 5, 51 and 82 of the Traffic Law (Revised) to specify the minimum age limit for individuals to qualify to ride or drive a motorcycle with an engine capacity exceeding 125 cubic centimeters. This really means that in order for an individual to ride a motorcycle in excess of 125 cubic centimeters he would have had at least two year's experience after qualifying to initially ride a motorcycle under 125 cubic centimeters. In other words, if an individual obtained a licence to ride a motorcycle of under 125 cubic centimeters at the age of 17, he would have to obtain to the age of 19 before he would be able to qualify for a licence in excess of 125 cubic centimeters. This would also apply if the individual was 30 years of age and was obtaining a licence for the first time, he would have to wait two years before he would be able to obtain a licence for the bigger motorcycle.

I should comment here that though the Government Bench was defeated on that Bill, I really feel it was the wish of the majority of the people that section 13 of the Law should have been lifted. I will not say any more on that. I might get some flack from my own Government Bench here. It is the view that together with the lifting of the import restriction to allow importation of unlimited sized motorcycles, that every care must be taken to protect not only the drivers of motorcycles but also the safety of the general public with whom they may come into contact.

Many of us sometimes look at some of these Bills but do not realise the enormity of a situation similar to what we are dealing with. I am not sure how many of the Members might have even ridden a bicycle or a motorcycle but, as one Member who has, I can say that it is not something which should be played with, it is a dangerous vehicle to drive. I feel it is important that the safety measures should be put in place to ensure that our young people and others do not go out there and injure themselves and members of the general public.

To ensure the drivers have obtained sufficient experience in the safety aspects of handling these larger motorcycles, we have decided to amend sections of the Traffic Law (Revised). Section 39 of the Traffic Law (Revised) now reads:

"(1) Any person to whom section 38 applies, if qualified under paragraphs (a), (b) and (c) of section 32(1) to drive any class of mechanically propelled vehicle may, on making application in the prescribed form and paying to the authority the prescribed fee, be granted a provisional licence."

Before that individual will be able to ride a motorcycle in excess of the 125 cubic centimeters, he will have to apply for a provisional licence and will have to gain the necessary experience over a two year period in order for him to qualify to receive the necessary licence. Section 39 provides the criteria under which learners may drive. It is therefore proposed to amend this section by substituting the following: Section 39 is amended by the addition of the following new subsection immediately after section 2 which reads:

"Notwithstanding the provisions of subsection 1 of this section, no persons shall be granted a provisional licence in respect to a motorcycle with cylinder capacity in excess of 125 cubic centimeters until and unless he has held a full licence for a motorcycle with a cylinder capacity not exceeding 125 cubic centimeters for a

period of at least two years prior to the current application."

The regulation will state the age limit, which is 19 years of age. The main objective of this amendment Bill is safety considerations. In view of this, I believe this amendment should receive the full support of this Honourable House. I could hardly see where any Member of this House could get up here today and not support this amendment if he has the interests of the people of this country at heart. I cannot see where anybody would not support a Bill this important because it is dealing specifically with safety considerations for our people.

Mr. President, the excuse which is normally used also (not having sufficient time to study this Bill) should also be thrown out the window because it is a very, very short Bill. It does not need an enormous amount of time. It is quite simple, even a layman could understand it. So that excuse cannot go down. Plus, as I mentioned earlier, sufficient time was given. We have met with Members and the Attorney General took the time to go through this Bill with Members. So that excuse, if it is raised in this House, should be discounted and it would only serve to be a delaying tactic by those Members who would try to stop the otherwise smooth operation of this Honourable House.

Specific reference is made to the section of the amendment which states it will be necessary for the holder of a motorcycle licence for a motorcycle of an engine capacity of 125 cubic centimeters to be in possession of that licence for at least two years. This is the safety arrangements. I would like to mention here that I was one of those individuals who suggested the police should arrange much stricter examinations for any individual who was going to be riding a motorcycle of 125 cubic centimeters and above. This is mainly for safety considerations.

If it had been from a selfish point of view I could have been the first one to approve it because I am one of the few people on this Island that holds an exclusive franchise for a motorcycle company. But, when you come into this Honourable House to represent your people, you put your personal interests aside. This is the reason why I approached a senior officer of the Traffic Department and suggested it would be a good idea to have much stricter licences and examinations than are now in place, if we were going to lift that important section of the Law.

That section of the Law, section 13 of the Law, opens the door so we can bring into this country motorcycles of all sizes, of unlimited cubic centimeters, very powerful motorcycles. If we are going to do this, then it is only reasonable and fair to the people of this country that we put in place the safety considerations which will protect our people against unnecessary deaths in this country.

Mr. President, I am told that some of these big bikes can go from 0 to 60 miles per hour in three seconds. They can do a quarter mile in 15 seconds. These are very, very powerful bikes. I hope we realise what we have put ourselves into. Even though this is a service to the people, at least to the young people of this country, and I want to do whatever I can to provide the service the majority of the people of this country want, all I am doing today is sounding a note of caution.

This Bill is most timely. It is needed and I trust there will be nobody holding back on this, but we will get the full support of this Bill as any objections to this Bill could be an indication of our lack of interest in the safety considerations which this Bill contemplates. This is a very important Bill. I know it is going to cause quite a bit of debate. I am being unnecessarily interrupted again, by one of our Members, but I am getting used to that in this House. This is a democracy, and each Member of this House has an inalienable right to speak on a matter in accordance with his conscience unless he is dealing under the principle of collective responsibility when he must vote as a block. Any Member of this House who wants to get up and speak against this amendment Bill can do so. It is his right. All I am saying is that to do so would be an abrogation of the responsibility we have to our people. We have opened the door and it is our responsibility to make sure safety measures are put in place to protect our people.

I commend this Bill to the Honourable House and I ask for the full support on it.

Thank you, Mr. President.

**MR. PRESIDENT:**

The question is that a Bill entitled, The Traffic (Amendment) Bill, 1989, be given a Second Reading. The Motion is open for debate.

The Third Elected Member for George Town.

**MR. TRUMAN M. BODDEN:**

Mr. President, I support this Bill. As the Member mentioned this was dealt with in an informal committee of Members who agreed on this amendment.

I am astonished at the approach the Member promoting this Bill has taken. I can well understand why now the Government lost its Backbenchers sometime ago because we went in there with a spirit of cooperation. We sat down and cooperated with Government. We agreed on the amendment. We came back here to support it and now we get beaten over the head. This is what happened some months ago with their own Backbenchers, and, believe me, I am not going to tolerate it - if cooperation means I am going to be beaten on the head as a result of it. I have no intention of breaking the undertaking I have given, as he mentioned at the beginning. He knows better than that. I am amazed he raised it. He knows the apparent breach of undertaking sometime back created a lot of problems between the Government and the Backbenchers, Sir.

I really am finding it very difficult to understand Government's approach in these matters. On one hand they are saying cooperate, sit down with us (as we did with this Bill), and then what happens is we get beaten on the head with it. I am not going to tolerate that.

While we are on the question of democracy, as was raised by the Member, he had better remember it carries with it majority rule. It would be in the interest of Government to

attempt to cooperate and at least when you have Backbenchers cooperating with you, do not turn on them because that is really biting the hand that ultimately may feed you. I really am amazed...

#### POINT OF ORDER

**HON. LINFORD A. PIERSON:** On a Point of Order, Mr. President.

**MR. PRESIDENT:** State the Point of Order.

**HON. LINFORD A. PIERSON:** Relevance, Mr. President. Is the Member debating the Bill, or making a political speech?

**MR. PRESIDENT:** On that I can only say that the debate in previous motions and bills has been extremely wide ranging. But I have in fact drafted a letter to all Members on the question of relevance and repetition, and I shall be issuing it shortly. But on this particular matter the Member should continue as I think it was raised by the Mover of the Bill.

**MR. TRUMAN M. BODDEN:** Yes, Sir.  
If this had not been raised, then we would not have this problem now. I will be very brief and finish on that by also just mentioning the first time I was approached on this Law, not the amendment, but the one before. The only time I have ever been approached on the Law was when the Member who is promoting it came to me and begged me to support it to go through because it obviously was in his personal interest, as he had a motorcycle company.

**HON. LINFORD A. PIERSON:** Mr. President, on a Point of Order...

#### POINT OF ORDER

**MR. PRESIDENT:** I think that remark should be withdrawn.

**MR. TRUMAN M. BODDEN:** Yes, Sir, I withdraw that.  
I will now move off of this but I would just like to finish by saying if we are to operate in a democracy where the majority rules, and if we are to cooperate it has to be a two-way street. Having said that I would now move on to deal with the Bill itself.

This Bill is good has my full support as I gave that undertaking earlier. I believe in it. The Second Official Member assisted greatly in getting this put together and getting it to a form that would deal with any dangers which might have arisen as a result of the original amendment.

I think it is one of the few times we have been able to actually sit and deal with a Bill, get it drafted and in a form, other than when we dealt in the Select Committee stage with another Bill which one of the other Elected Members had. The Bill actually coming out is something which has been accepted by the Members of the House. Indeed, that is a very good way to go. I think it is a way that happily was dealt with during the earlier stages of the House and it is a very good move. It is one I know Mr. Jim Bodden, especially, believed in was to bring Members of the House together trying to get matters sorted out. Then presenting it to the public and on to the Legislature. It cut out a lot of controversy around it.

I personally do not know. I have not ridden a motorcycle. I can say that. But I would hope this amending Law is one that would deal with any dangers which may arise. What I would point out with it, is that we do have motor cars that can reach those vast speeds in probably the same seconds the motorcycle can. Therefore, we do have other very fast, potentially dangerous vehicles on the road. I believe, like everything else, this will make sure the riders of those motorcycles are mature, experienced and probably in a far better position to care for that dangerous weapon than some of the less experienced people who drive very fast and very powerful motorcars.

I must say the one thing which has been done by the Member promoting this Bill is that he has assured us there will not be any speeding on West Bay Road, having regard to the amount of potholes and otherwise there. At least we have a second area where we will not be having problems, that is with the conditions of the roads.

I would hope this Bill would now settle the matter and we get politics out of this, so we can now move on, and hopefully, this will be good and we will see it was what was needed as an amending Law.

Thank you.

**MR. PRESIDENT:** I think the First Elected Member for Bodden Town caught my eye next.

**MR. ROY BODDEN:** Thank you, Mr. President.  
I believe it was no less a figure than the venerated William Shakespeare in *The Merchant of Venice* who penned the lines; "O judgment, thou art fled to brutish beasts, And men have lost their reason." I have to keep shaking my head, Sir, because I am a newcomer coming from the ivory towers of academia, but what I just heard I class as nothing but a lurid case of the cruelty of genius. I can only say the Member must have had this speech prepared some time ago and just decided to pull it out of his pocket now,

because I cannot believe such behaviour was demonstrated after we, in good faith, sat down and gave our undertaking that we were going to work together for the passage of this Bill. Is that the payment for cooperation? Then it does not make sense to be cooperative.

I would like to say something else. We were so responsible, in fact, that we went to His Excellency the Governor and conveyed our concern that there were some amendments and regulations and procedures we would have liked to have seen implemented because we were anxious that we did not put these vehicles in the hands of irresponsible people, because we realised the damage which could have been done. Now we get cursed off and told off, threatened and cajoled like we are outlaws and hooligans and barbarians. I, quite frankly, do not believe that is justified.

I am not asking for any apology because what goes around, comes around. Our support and concern over this Bill is justified because we are responsible legislators. I would like to say that I support this amendment, this Bill, because in the first instance, since people like to delve into case histories, the reasons why it was voted down, were they analyzed, would show it was not as a result of any intention to provoke confrontation or any irresponsibility. Rather, it was the result of the concern of our constituents. The Bill, in its present form, meets that concern.

I can only speak for my colleague, the Second Elected Member for Bodden Town, but I am sure the rest of the Backbenchers have not changed their minds. I notice the Third Elected Member for George Town said he is still supporting the Bill. I am sure when the others come to speak they will voice the same thing. I merely want it recorded, Sir, that I am mystified as to how the Mover of the Bill could go off on such a tangent so early in the morning. I respectfully suggest he have a cup of coffee.

Thank you, Sir.

**MR. PRESIDENT:**

Not quite time for the break yet.  
The Second Elected Member for Bodden Town.

**MR. FRANKLIN R. SMITH:**

Thank you, Mr. President.

I rise to support the amendment to the Traffic Law, but I also am surprised at the way the Honourable Member has taken because I believe I sat there and we all agreed to this Bill!

You know, Mr. President, I cannot buy that these motorcycles or two-wheel bikes are any more dangerous to the public than a Trans-Am or Camaro car which can do the same or more in the same amount of time, three seconds - 60 miles an hour, or whatever. Someone behind the wheel of a Trans-am or Camaro can do as much damage or worse, I would say, than some single person on one motorcycle. I do not understand how such an argument could come up here this morning, when all Members sat there and agreed for the passage of this Bill because we were all concerned about the age limit, the size of bike and things. I have to say it was of great concern to me the way the Law was before, because certain people could have preferences above others. That Law should never have been that way.

So, Mr. President, I support the amendments to it now and I agreed to these. I am not withdrawing from it. I never indicated I would withdraw from it. I agreed I would support it. I did not really expect to hear the amount of argument from the House this morning on this Bill!

Thank you.

**MR. PRESIDENT:**

The Second Elected Member the Lesser Islands.

**MR. GILBERT A. McLEAN:**

Thank you, Mr. President.

Yesterday I lost my turn to speak on a motion, but today I would not want to do so. May I say I appreciate your leniency in allowing Members to reply to what has been said by the Member of Executive Council responsible for Communications.

I do not think that anywhere in the Commonwealth there is likely to be recorded such a stand by a Member of Parliament speaking on a matter with which he is directly concerned as has been done here this morning. It is well known that the Member is one of two importers in this country of motorcycles. He sells them and he rents them.

It is of interest that the amendment to this Law on this occasion is, in fact, brought by him when in the first instance the amendment which caused all of this to come about was passed through the Third Official Member to bring in the last sitting of the House...

**HON. LINFORD A. PIERSON:**

Mr. President, on a Point of Order.

#### POINT OF ORDER

**MR. PRESIDENT:**

Would you state your Point of Order, please?

**HON. LINFORD A. PIERSON:**

Mr. President, I feel it is only fair to this Honourable House and the listening public that an explanation is given regarding your decision for me to reply to this Motion today and why the Honourable Third Official Member replied to the other amendment which was made in May.

**MR. PRESIDENT:**

The allocation of business is decided by the Governor in Council and I confirm the business was so allocated on the previous occasion and on this occasion.

**MR. GILBERT A. McLEAN:**

Thank you, Mr. President.

The amendment which came in the first instance related to increasing the number of cubic centimeters of a motorcycle which could be rented. As I said, the only person involved with the rental of bikes or directly involved as a dealer is the Member of Executive Council who has spoken in the manner which he has this morning.

That amendment gave the right to visitors of this Island to come here and rent a motorcycle without having a motorcycle licence in the country they came from. It, in effect, legalised what was my understanding the police were trying to suppress. Because of this situation various members of the Backbench discussed the matter and whether it would seem appropriate if Parliament could be asked to do that. We would restore the right to our citizens to have motorcycles over 90 cubic centimeters. It was on the basis of that, we thought it fit and proper to do so. The Motion had been brought before and defeated. Always the argument was that bigger bikes were going to kill everybody, whoever had one of them.

I did not share that view then, and I do not share that view now. I do not believe we should pass Laws in this country which assist any one individual who may have an interest in any particular thing and exclude our own citizens from sharing in that situation.

The attitude this morning, as displayed by the Member presenting this amendment, speaks very clearly of what is happening in the Government at this time. Surely, it clearly indicates why there was a turmoil only a few weeks ago between the Elected Members of Executive Council and all Backbenchers except one.

Every Member in this Parliament has equal rights under the Law and the equal duty to represent their constituents or the people who elected them. There are no boys in here, at least I do not know who they are. Surely, the Government must expect representatives of the people will act in a manner in their best interest.

There was the question of speeding on these bikes raised by the Member. I do not believe anyone is going to speed on a big motorcycle any more than they speed in the big motor cars like the Trans-am and Camaro, and the this and that, on the streets. As has been pointed out by another Member speaking, the pot holes on some roads are going to make that situation difficult, indeed, the number of street lights they have to stop for.

I was with the group of Members of the Legislative Assembly who had occasion to speak to His Excellency the Governor and express our concerns, and agreements that some amendment could be made that limited who would ride the bikes and provide it would have to be a certain amount of experience prior to getting the big bikes. I agreed with it then and I agree with it now. I agreed when the Member who presented this amendment invited Members of this House to the conference room where we discussed it and agreed we would support it.

I do not take the attitude of some Members where I give my word on something and then have second thoughts about it, because I do my best to think it out at the time and I stay with what I do. I do not have the problem which has been displayed here in past weeks, where Members of this Honourable House have been called together to discuss a matter - I speak specifically of the matter of Cayman Airways - and when we get in the meeting, we cannot even decide whether we must have minutes or whether we agree to what we agreed to before. I am not one of those. I would like that Member who moved this amendment to take careful note of that. I stand by my word and I do my best to stand on principle and I do not compromise that in any occasion. If the idea was to provoke a confrontation here this morning that would put everyone on the defensive and we would have to agree to support this Motion, then indeed that is not the case with myself.

I am supporting this Motion because I agreed I would support this Motion, and because I think the amendment which is being put into place makes sense. The amendment, as I understand it, will require a person to have at least two year's experience riding a motorcycle under 125 cubic centimeters. After that he may graduate to a motorcycle centimeters above 125 cubic centimeters. I see nothing wrong with that, because I feel sure all Backbenchers feel very responsible in doing what is necessary, as far as possible, to assist the Traffic Department and the people who may be riding these motorcycles to do so after they have gained enough and appropriate experience.

Therefore, I support this amendment which is before the House because I previously agreed to it. I believe it makes sense, because I believe it incorporates into it certain feelings of the police force, that it is a desirable thing to do. I act in good faith and I stand by what I said I would do when I believed the thing to do is in the best interest of the people and the country. I disassociate myself from any remarks made by the Member for Communication that imputes anything otherwise to me.

Mr. President, thank you.

**MR. PRESIDENT:**

The Third Elected Member for West Bay.

**MR. JOHN D. JEFFERSON JR.:**

Thank you, Mr. President.

I was also one of those Members yesterday who lost their turn to speak on a very important motion but I will not be guilty of that today. Especially on this particular Bill.

I am one Member who supported the amendment when it first came before the House. I have no apologies to anyone for that. I also do not have any apologies that Government was defeated on a Motion, because if Government is not yet convinced that Members on this Backbench are prepared to support issues, legislation, whatever we feel is in the best interest of this country, then they had better get that through their heads.

I would also like to say that Members of the Backbench (and those are the only people I can speak for) are all honourable men - not boys. I do not see any here. We all fought very hard campaigns and the people elected us because they felt we were responsible and would represent their



interests to the best of our abilities. I am convinced the people are satisfied so far with our representation.

Now, when the Mover gets up and says he hopes that we will get up and support this thing since we had agreed to it before, to me that is an insult! I am a man of my word. If I give you my word, Mr. President, you can count on it. You can take it to the bank, you can take it to the grocery store, you can take it anywhere. I think I have expressed the feelings of Members of the Backbench, at least the majority. We cannot say the same for the Elected Members of Executive Council.

**MR. PRESIDENT:** I did not quite hear that sentence. I think it may have been out of order. Could you just give it to me again? The last sentence you spoke.

**MR. JOHN D. JEFFERSON JR.:** Mr. President, what I said was as Members of the Backbench we are men who keep and honour our word. I cannot say the same for...

**MR. PRESIDENT:** No, no, I am afraid that is not proper. You can say you hope it is the same for them, but you cannot say it is not the same...

**MR. JOHN D. JEFFERSON JR.:** ...Well, Mr. President, it appears not to be the same.

**MR. PRESIDENT:** That is possible.

**MR. JOHN D. JEFFERSON JR.:** Thank you.

Mr. President, I go by the argument that bigger bikes are much more dangerous. I am not a bike rider, but from the information I have received bigger bikes are much more easily handled and managed as far as riding is concerned. They are less of a hazard to the general public, as far as the motorists are concerned, because they can keep up with traffic.

It is my understanding (and I cannot see where it would be possible otherwise) that these big bikes the Member is so concerned about will not be available to our visitors to these Islands. They will not be able to go to a rental place, produce their drivers licence and be in a position to be issued a permit that will enable them to rent these bigger bikes. I dare say, I doubt they will even be available for rent even if that was not the case.

I also do not foresee any massive increase in the importation of these big bikes. I think motorcycles have an appeal only to a certain limited number of members of the public. It would be of no interest to me, whatsoever. Because I do not prefer or favour bikes I should not deprive other members of the public who desire those things not to be in a position to acquire one.

I also do not perceive, as has been mentioned, any motorcycle gangs, like the Hell's Angels. It is a very routine tactic which has been used since I have been elected here in this House, to use scare tactics in order to try to convince people that what is being suggested is going to be detrimental. I do not think that is the case here.

I would dare say the Members of the Backbench had some influence on this amendment which we are now discussing which was brought before the House. We met with his Excellency and expressed those concerns, that there should be some conditions or restrictions as to whom these motorcycles would be available to, and there should be some restrictions in place. I do not share the view that there will be any wholesale abuse by members of the public who ride these motorcycles. I think they would welcome the idea of being able to acquire one. The records will prove they will be very responsible riders.

We had restrictions on the "cc" capacity of motorcycles which could be brought into this country. On the other hand, I share the view of other Members who have spoken about having a 17 year old applying for a drivers licence and he can go out there and, if he can afford it, he can buy a Corvette, which is a very fast car, he can buy a Trans-am; he can buy whatever vehicle he can afford to buy and there is no restriction as far as he is concerned. In most instances if there is a motorcycle fatality, it is normally the rider or a passenger he may be carrying, but in most instances it does not result in massive fatalities such as we have had here as a result of motor vehicle accidents.

I also share the view of the Third Elected Member for George Town, Government is always harping on the idea of cooperation. When you do cooperate with them, what do you get for it? You get beaten over the head. As I said, I will continue to support any issue I feel is in the best interests of the people of these Islands. I will continue to do so, Mr. President, but I will continue to oppose those things which I feel are not in our best interests.

Let me sound a note of caution: If Members of Government are interested in soliciting and getting the cooperation of Members of this Backbench, then they had better watch their attitude. I agreed in the committee room that I would support this amendment, and I do, Sir.

Thank you.

**MR. PRESIDENT:** Proceedings are suspended for 15 minutes.

**AT 11:25 A.M. THE HOUSE SUSPENDED**

**HOUSE RESUMED AT 11:50 A.M.**

**MR. PRESIDENT:** Proceedings of the House are resumed.  
The Elected Member for East End.

**MR. JOHN B. McLEAN:** Mr. President, before entering into the debate which is presently on the floor of the House, I wish to declare my interest (as I have done before on previous occasions when we have debated this matter), as I am the owner of a company that has a franchise to import motor bikes. I would like the Chair to rule as to whether it is all right for me to partake in this debate or not.

**MR. PRESIDENT:** Having declared your interest, yes, I think it is appropriate.

**MR. JOHN B. McLEAN:** Thank you, Mr. President.  
I must say that I am very much concerned over the scope of the debate which has come about over what I thought would have been a Bill which would have had no problems once it was returned to the floor of this House. I can think of no reason why it has taken this course. I too have discussed this matter on more than one occasion with the Mover of the Bill. It was my hope that once this came here, it would be presented by the Member. I could see no reason why anyone had to even debate it because it was a foregone conclusion that we had agreed to what was laid down in the Bill.

As I mentioned, this has taken a completely different course. Regrettably so. I believe that each and every one of us has the same concern and it is for this reason we took the stand we did, not only in bringing it before his Excellency the Governor, but in sitting down and trying to put together what we felt was most suitable for the country, the individuals who would be riding the bikes, and most satisfactory to the police.

A couple of points have been mentioned by the Member that I would like to touch on. For example, he said he hopes that we realise what we have put ourselves into. Mr. President, statistics will show that our biggest problem with motorcycles in these Islands has been with the little bikes. We have had more deaths on the roads here in these Islands with the smaller bikes in comparison, I believe, than even to cars. If it is safety and safety measures we are talking about, it would seem to me that we are doing what is right. Perhaps the bike which should have been banned would have been the smaller ones.

As I mentioned earlier - and this takes me onto something else which was mentioned, and I am not trying to quote anybody verbatim I am just mentioning a point concerning franchise holders - my company has owned a franchise for several years. It is because of my concern over the type of bike which could have been brought in that until now we have never brought in one bike into this country. To be frank with you, Sir, I do not have anything on the horizon of great plans to bring them in.

I continue to draw the reference that when we say concern for safety we should go the extra mile with concern and safety for our young people. At the age of 17 any school leaver, after practicing to drive a motor car, sits a test. If successful, he or she sits behind the wheel of a very powerful motor car. If he or she becomes involved in an accident... and it has happened in these Islands where we have had up to four people killed because of speed. Now, there is no one in this Chamber who can tell me what steps have been taken to restrict age groups or cubic centimeters in that type of vehicle. Which is the most dangerous? We are talking of a motor bike. An individual, in most cases, can only harm himself versus an automobile where the figure is unknown as to how many people could be hurt. So let us not be ostriches and bury our heads. If we are talking of safety, we must talk of safety.

As I mentioned, I thought the section which was amended here, section 3, was a very good amendment. Again, an amendment that all, on this side, as far as I knew... and I must say it is contrary to what I heard a while ago, there might have been somebody among us who was planning to sabotage this Bill, but if there is such an individual among us, on this side, I would like to know who it is. I am inviting the Mover of the Bill to call the name, because if we were men enough to go behind closed doors to try to bring out something that was most suitable for this country, it is ridiculous if we are going to have this sort of behaviour.

This whole debate this morning is a waste of time, a waste of taxpayers' money, and it was uncalled for. Mr. President, I have been in this House for 13 years. My track record will always show (regardless if I am in or out) that I have always used my better judgment and have always tried to do what I saw as being best for this country and my people. I would in no way try to bring anything which I felt was going to harm anybody. It is always with a hope that we could tighten and make better, not to make worse.

Mr. President, I hope and trust that when the Member is summing up he will bring this to light and let us put this argument to rest. I was of the opinion, over the last few days here, that we had begun to pour oil on troubled waters and we were beginning to unite and were trying to work together for the betterment of these Islands, but I must say I am very distressed at this time.

Thank you, Sir.

**MR. PRESIDENT:** Does any other Member wish to speak? [pause] It is said that a week is a long time in politics, a minute is a long time waiting for a speaker. Does any Member wish to speak?  
The First Elected Member for West Bay.

**MR. W. McKEEVA BUSH:** Mr. President, I rise in support of the Bill before the House. Again today there is a waiting game when actually there should be no waiting game, seeing that Government has the right of winding up, as it were the last say.

I am really distressed and concerned about the events which have taken place today. This matter could have been dealt with in five minutes, but, rather, the Member moving the Bill said so much that Members had to discuss this Bill; a Bill that we sat and talked about from the Glass House to the committee room of this Honourable House. Yet there was so much said, aspersions cast so that Members have to stand and defend their rights.

Before I get into this debate, I understand the Member's concern that he understood somebody was not going to vote and was going to oppose. That still does not say the Member would not have had a majority to carry the Bill. If somebody in an Executive position was trying to sabotage the Bill, the Member should have said that in his opening presentation.

I can only speak for myself and say he has my 100 per cent support. I think he will gather that as I carry on the debate. I could have taken everything else which was said, but I really cannot take the remarks about the safeguards and about how the Government Bench was so concerned; the Government Bench was trying to stop deaths, the Government Bench was trying to do this, the Government Bench was doing that! That was casting aspersions - it had to be - on this side of the House when they knew full well we were very much in concert with them in this Bill.

The way that presentation came across was like we on this side of the House had done something which would destroy the entire Cayman Islands and they were the great saviour. They have a short memory. That is not the case. I want to go into the history of this matter. If Members now on the Government Bench, who sat there before, are not bound by collective responsibility in this thing I am going to refer to, they will speak their minds.

This matter had been raised ever since 1984 by this Government and the previous one. The Member for North Side, the Member for Health and Social Services now, was the first Member to ever raise this issue. I am not saying that he ever denies his interest in that particular issue. I do not know. I do not sit on Executive Council. I do not know if he ever denies it. He has not denied it to me.

At one point, the Member had a meeting in his district office, to which I was invited to attend, with a group of responsible young men in the Islands. I would say that the first amendment which came here in May was well supported by him. When the Bill was moved in May, I approached the Mover of the Bill today and the Member for Health and Social Services, about the amendment which removed the restriction and the Member moving the Bill today said to me, "You know the position of collective responsibility, but I can offer you some support. The Member for North Side, as has always been his position, indicated to me his position but because of collective responsibility they would not be able to support any amendment, as the Government has decided against it".

More than that was said but, lest I be accused of exacting a pound of flesh that I do not see, I will leave the matter there. The Bill was passed in May. But the Government got defeated. My concern about the age groups and the like was well recorded. I personally went to the Honourable Attorney General's office and approached him on the matter. As a group, six of us went to his Excellency the Governor out of concern about the age groups and limits to age groups. So, Mr. President, we, on this side, cannot be accused of being irresponsible. That is exactly what was attempted here this morning.

They are the saviours? Let me put something to this House. This amendment could have been moved in the May sitting if the Government Bench was as eager to put the matter right as has been said by the Mover. Why did they not do it? We would have supported it because we had the concern about age groups. I am being asked why I did not bring it? I see a lot of that being asked today, why do I not do Executive Council's work. I am not getting paid to do your job. (laughter) If the Members of this House remember, it was me, again, who talked to several of them trying to get such an amendment. We decided we would, after the Bill was passed, go the route I said. We would approach his Excellency the Governor about the restrictions on age limits.

My concern cannot be castigated into something they might want to make us look like a bunch of criminals. No, Mr. President. That is uncalled for, it is uncalled for and this House does not deserve that.

Another point is if they were so concerned about deaths of young people and the many accidents they claim might happen, why bring this matter like this? Why not now, since they are assured of a majority? Certainly the First Elected Member for the Lesser Islands has never in this meeting voted against them, why did they not bring a Motion to put the restriction back in? Tell me that this morning. I want to speak in plain language since they say the public needs to get the matter straight.

Why did the Government Bench not use their majority since they were concerned about deaths and road accidents? Why did they not use their majority rule, which they are assured of, to put back the restriction? I really cannot take to that kind of presentation, when he had our confidence and our trust. I am sorry this matter has taken the route it has, but they are not the saviours they are trying to proclaim they are. What is happening is they make us out to look as bad as possible, thinking, after that tirade this morning, we would get up on our high horses and say look, we are not supporting you. No, we would not do that. We are a responsible Backbench. We do what we think is in the best interest of this Country. Lest the Isaiahs get up and the Jeremiahs get up and tell you what a bad fellow I am - how I like to exact my pound of flesh and mislead the House, and this thing and the next thing that I have been hearing about recently - I challenge them, any one of them, to show as much concern for the country and to bring as many resolutions and amendments to this Honourable House as this Member has placed in the best interests of this country. All that is now needed is for them to get off their feet and do something. They are doing something in this one and people might wonder why the friction, why they have to listen to the kind of debate the Member moving the Bill gave.

I worked with that Member on this side of the House. I know his tactics. He has the last say, and he can do a lot of damage in that last say, and that is why they preferred to take that route this morning. If that is not the case, I want to hear which Member of Executive Council was going to tamper with the procedure here this morning because nobody from this side was going to tamper with your right this morning. We were all in agreement. I am ashamed that this Bill has come to this. I am always accused of doing this, that and the next thing, and upsetting the House when we could have dealt with this matter in five minutes. I support the Bill.

I am very concerned... and before I forget it, when this matter came in Committee, if the two Official Members and the rest of them want to tell the truth, Mr. President, they will remember (and I am not saying that they tell lies I am trying to say if collective responsibility is not barring anybody here today...) when they came to the committee I rehearsed my whole concern and was even prepared to go further, as far as the age limits were concerned. I really object to them trying to say that we, on this side, are a bunch of hooligans and they are the saviours of the world, the promised Messiahs. Shame on you!

I support the Bill, Mr. President. I would say this - and I stand in fear of no one - if something were to happen to any Caymanian person, or any foreigner, I would personally feel, 'Yes, McKeeva you had a part in that because the restriction was removed.' But at the same time we have to look at the other end of it and if small motorcycles can be brought in here, if open-backed trucks and open-backed cars which have caused accidents (jeeps and the likes of it) if all that can be imported then we did right by some of our people who desired for us to remove the restriction and we are doing it right now in trying to set an age limit where it will minimise the possibility of young people getting involved to any great extent.

I support the Bill, Mr. President, and all that needs to be done now to save time and further embarrassment, further confrontation and conflict in this House, is for the Government to sit down and let us get to the Committee stage of the Bill and pass it, rather than trying to cover up their tracks.

Shame on you!

**MR. PRESIDENT:**

The Honourable Member for Health.

**HON. D. EZZARD MILLER:**

Mr. President, I rise to support this Bill. It never ceases to amaze me how some Members can find ways to drag previous conversations and previous actions of mine into subjects that I am really not responsible for.

I do not wish to hide my position on large motor bikes. It is public knowledge that I took a petition to Government on it in 1985. But the difference was that it was not unconditional removal, as was done here in May. In all of those discussions with the people involved (and I have the petitions and the signatures at home) it always involved certain restrictions to be placed on the use of bigger bikes. That is the critical difference between what was done here in May, it was done through a suspension of Standing Orders brought before the Assembly outside the realms of the Bill which was before the House at that time. It was tacked onto the Bill. I did not hear the Mover proclaim to be any promised saviour or claim any accolades. But it seems that some people are overly upset because he did not turn the basket of accolades upon their heads.

What the Member said are the facts. It was done in May, without notice to the public, the Members, or anyone else. Then you hear that Government should have brought the amending Bill in May. Why did the Members who removed the restriction carte blanche not offer those suggestions and those restrictions in the form of a Bill. We keep being told we are not doing our job. I guess it is a matter of opinion of whether they can or not. It is not being demonstrated because certainly if they could do it, and were willing to do it, and they had the capacity to do it, that is one way of demonstrating it - bring the amendment as a Private Bill.

If you trace the history of all of those Motions, they did one thing: they saddled the Government Bench with work to get things done. In most cases the Government of the day, both present and past, have delivered. It is nice to hear some Members advocating the right of choice. It is a pity they did not feel that way in other matters concerning health care for women.

In moving the Bill before the House the Member made two points which seem to have upset everybody. One, that the reason for having to suspend Standing Orders was because due notice could not have been given on the Bill in order to correct the situation which was thrust upon the Government in May. That is a fact!

*[voices interjecting across the floor]*

We all do what we do best the most. These snide remarks being passed while other people are talking, some people are very good at that and not good at much less.

The Members tell you that the Government has to cooperate and the Government is not being nice, it is the Government Members' attitudes. I did not hear the Member in moving getting into any personalities or any personal issues, but the very next speaker (and speakers following) tried to portray that the main reason for bringing this Bill - which was brought to correct the situation that the non-government Members put this country in last May - was for his own benefit. They are the ones who tried to bring the Government down on motions of privilege. They tell you the Government Bench must cooperate...

**MR. W. McKEEVA BUSH:**

...On a Point of Order Mr. President.

**MR. PRESIDENT:**

Please state your Point of Order.

**MR. W. McKEEVA BUSH:**

Yes, Sir. The Member is referring to a matter of privilege between myself and him. That was not bringing down the House, or the Government. It could not do so.

**MR. PRESIDENT:**

That is not a Point of Order.

**HON. D. EZZARD MILLER:**

Mr. President, again, it is up to one's interpretation. I am a man

of honour. Had I lost that in defeat, my resignation was handwritten and ready to be handed in to the President. That would have brought the Government down. They know the kind of person Ezzard Miller is. They knew that was what I was going to do. That is why they picked me! It was just another attempt to bring the Government down. And they talk about holistic attitudes and their Christian principles.

If you are talking about previous conversations, they are the ones who advocated a change to the Music and Dancing Law. They told us they were going to support it. They were the ones that went to the Members asking for it to be changed.

*[Mr. Truman Bodden rose]*

**HON. D. EZZARD MILLER:** I am not giving way unless he has a Point of Order, Sir.

**MR. TRUMAN M. BODDEN:** No, it is an explanation in relation to a statement that he made, Sir ...

**HON. D. EZZARD MILLER:** I am not giving way.

**MR. PRESIDENT:** It is either a Point of Order or it is not. If it is not, you must wait for the speaking Member to give way.

**HON. D. EZZARD MILLER:** Then they come here and make you believe they go home at 11:45 every Friday night and they are in Church every Sunday and the Government is going to throw all the Christian principles out. I think the Member had reasons to be concerned - and they talk about how their word is their honour and they cannot say the same about Executive Council Members.

I am prepared to let the public of this country judge, particularly in my case, whether my word is my bond or it carries my honour, and compare that with any other Member in this Assembly. Mr. President, I think the Government is getting fed up with being asked to fight with their hands in their back pocket. While I have not come out of the "ivory tower of academia", I believe I can hold my own with most of this Assembly. I was told a couple of days ago that respect begets respect and all that sort of thing. I took my licking and I will act accordingly as a Member of this Honourable House from here on in.

Mr. President, I support the Bill.

**MR. PRESIDENT:** Does any Member wish to speak? The Honourable Member for Tourism.

**HON. W. NORMAN BODDEN:** Mr. President, I rise to support a Bill for a Law to amend the Traffic Law. Much has been said on this short Bill. I intend to be very brief, but I have a few points I would like to make, too.

I believe this Bill builds in at least one necessary safety measure for traffic on our roads which should help to protect the public and riders of these motorbikes themselves to some degree. I make no bones about it, it remains my position that the ban on certain size motorcycles, which I consider high powered motorcycles, should not have been lifted in this country.

I do not intend to revive debate on this because I, too, am aware of what Standing Orders say in that regard. But I have seen too many lives lost by this means at a time when we had no drug problems in this country and we had little or no traffic. Today we have congestion on every hand and we have a drug problem and it is my considered opinion this ban should not have been lifted under any circumstances. I did not support it then, and I do not support it today.

I see what is before this House, this amending Bill, as a means of correcting to some extent the mistake which was made. Not by Government, either, but one which was forced on the country. There can be no doubt that the passage of this measure to the Traffic Law at the May meeting prompted and created the need for this amendment today which the Member moving the Bill quite rightly pointed out.

With the haste and the procedure adopted in which that amendment in May was brought and passed, without any consultation with the general public, I have to ask the question: Is the public only to be consulted on certain occasions when it is sought and the public will indicate 'yes', but if it is decided that the public might say no, then the matter does not seem to go to the public, or the importance (which is normally attached) of taking these matters to the public is then ignored?

Mr. President, some disparaging remarks have been made this morning about all Elected Members of Executive Council. They talked about boys. It seems to be that there was a severe reprimand being dished out. I do not know of any boys on this side either. To the remarks which have been made I will only say this: I am 54 years old, and I am a Caymanian too, the people in this country know who I am and I will stand on my record which compares favourably with anybody in this House, past or present. So no one need draw the faulty conclusion that I cannot stand my ground and that I will not stand as a man to my word. My word is also my bond and, accordingly, I support the Bill.

Thank you.

**MR. PRESIDENT:** If no other Member wishes to speak, I call on the Mover to exercise his right of reply.

HON. LINFORD A. PIERSON:

Thank you, Mr. President.

First of all, I wish to thank all Members who have indicated their support for this Bill. I believe very little is necessary for me to say about the remarks made by some of the Members, as the members of the public will reach their own conclusions. I think some of the Members here have only confirmed in the minds of some of the members of the public the extent to which they will stoop in trying to foster their own political career. In thanking these Members for their support, I must state that it is my opinion that unlike the accusations which were brought by these Members - that they were being treated like little boys - they took the opportunity this morning to make this a political vendetta.

The Third Elected Member for George Town said that he was being beaten on the head. Mr. President, I think the record of the *Hansards* will show that, thus far, in this Honourable House I have attempted to work as closely as possible with the Backbenchers. As a matter of fact, that Member (when I invited him, some months ago, to come and work with me in my Portfolio and assist in areas where he felt he could be of assistance) wrote a very facetious letter back saying he would not be used when he knew, having worked with me in the past and having known me for so many years, that I was not talking about using him. So it does not surprise me that he will try and twist what was said here this morning in my presentation.

He also mentioned democracy carries with it the majority rule. I would like to suggest to that Member that principle applies outside of this House, as well as inside. One of these days he will have his opportunity to get the majority rule which he is so much looking for. He also mentioned (and this was a slur thrown at me) that he did not have to expect any problem with speeding on the West Bay Road because of the number of potholes. All I can say is that I believe that Member has some experience about speeding on West Bay Road.

The First Elected Member for Bodden Town, who thinks he has put himself in the position of poet laureate of the House, states that he is an academic. I agree. I have always had a lot of respect for this Member, and I am sure I will continue to. But I would suggest that facetious remarks such as "perhaps the Members needs to go and have a cup of coffee..." should be left in the common room. I will not say anymore because, as I said, I have a lot of respect for this Member, but I will not sit in this House and tolerate future similar remarks without reply.

Mr. President, for the Second Elected Member for the Lesser Islands to suggest, or even imply, that I have a vested interest in this matter and that is why I am bringing this Motion is totally out of order. I think he knows much better than that. I have told him... and he should have known better. Here again, is one opportunity to be able to spout a lot of rhetoric just for the interest of the listening public. This Member did not need to enter politics to make a living.

My history is open to every Caymanian. Whatever has occurred in my life has been public knowledge. I have no skeletons in any closet. I wonder how many Members of this Honourable House can say the same today - no skeletons. Whatever has happened, good and bad, in my life is public knowledge. I came up the hard way. I was not born with any silver spoon, but I had a number of firsts in my life and that came from hard work. I was the first Caymanian to qualify as an accountant; I was the youngest Principal Secretary to be appointed in Government service... and I could go on and on, all from my hard work. When I was elected to this Honourable House in 1984, I was then in a well-paying job and I did not do it to get a parliamentary salary. I will not, in the future, use any interest, personal or otherwise, to foster my political career or my financial interest.

A number of questions have been asked in this House in the past to try and embarrass Members of Council, including myself. The Second Elected Member for the Lesser Islands alluded to one of these again today regarding traffic lights. That Member had the answer (the true answer) to that question and if he still has doubts in his mind regarding any interest in traffic lights, then there is not much that I can do to help his situation. But if he wants to see the records, they are open to the public, they are in the Glasshouse, they are in Public Works Department. I am sure the Chief Engineer would be happy to supply him with any information to clear up any misgivings which he still has.

He also spoke about attitudes. I am surprised about the sanctimonious attitudes I have seen displayed by certain Members of this House. One minute they are rebels, but the next minute they are walking around with halos around their heads in an attitude of holier than thou. The people of this country are not fools. There were 1,523 people from George Town who elected me to this House and they know they are not dealing with a boy. They know I am no boy! I can stand up against any Member of this House, especially any Member of the Backbench. This is no boy talking and they know that. I resent such a remark. There must be a problem in their minds if all they can consider is that the Members of Executive Council are trying to treat them like little boys. There must be a complex there because nobody is trying to treat them like any little boy.

The Second Elected Member for the Lesser Islands also said he would not compromise his principles. Neither will I. So the Member is no better or no worse than anybody on this side. To make a statement that redundant is totally unnecessary. He is no better than anybody else. Yet, they try to project to the people of this country that they are more qualified to be filling the positions we have here today. This is where the problem is. The Member should have said what really caused the problems several weeks ago, which he alluded to. The problems had nothing to do with attitudes of Executive Council Members. The problems had to do with a bunch of power-hungry politicians who wanted to overthrow the Government! That is what the problem was! And if the Member was truthful he would have said this.

Commenting on remarks made by the Third Elected Member for West Bay, I must say his remarks were not as bad as some others. But I would just like to say that I have always had a very good rapport with this Member, and I will not spoil it at this stage. I accept what he has said, but will just assure him that nobody regards him or any other Member of the Backbench as little boys. But neither are the

Members of Executive Council, we are all men of equal standing. Therefore, let us give the due respect to each other in this House and out of the House.

The Member for East End stated there was a bigger problem with small bikes than the large ones. All I can say to this remark is that for a Member who states he has had no experience riding motorcycles he seemed to be very profound with that statement. But I believe he said this was his understanding. So, I will not say he made a positive statement, because...

**MR. JOHN B. McLEAN:** On a point of explanation. If the Member would please give me a chance I will explain exactly what I said.

**HON. LINFORD A. PIERSON:** Certainly, Mr. President.

#### POINT OF ELUCIDATION

**MR. JOHN B. McLEAN:** Mr. President, I said that statistics will show there have been more accidents as a result of smaller bikes than the larger bikes. I did not say that I am a rider because I have never ever had any inclination towards a bike. I am sorry if he misunderstood me.

**HON. LINFORD A. PIERSON:** Thank you for your clarification on that point. But, Mr. President, in view of the fact that we could bring in no larger bikes than a 90 cubic centimeter size, it would have been pretty difficult for such a comparison to be drawn because there were very few bigger bikes than a 90 cubic centimeter on the Islands. So you can hardly draw that comparison. But, I take the point made by the Member for East End.

He also stated (that is, the Member for East End) the reasons why he did not (even though he has a franchise for importing bikes) bring in the smaller bikes was because of his interests for safety. I do not accept that. But, I will not comment on that point made by him any further. I would only say that Member also rents Jeeps and they are known to be very dangerous also.

**MR. JOHN B. McLEAN:** Mr. President, if the Member would again please...

**HON. LINFORD A. PIERSON:** ...Mr. President, if it is a Point of Order, I have already given way, I will just continue unless it is a Point of Order...

**MR. JOHN B. McLEAN:** ... Well, Mr. President...

**HON. LINFORD A. PIERSON:** Mr. President, is it a Point of Order?

#### POINT OF ORDER

**MR. JOHN B. McLEAN:** It is a Point of Order because I believe the Member is misleading the House.

**HON. LINFORD A. PIERSON:** In what respect?

**MR. JOHN B. McLEAN:** That I rent Jeeps - I do not.

**HON. LINFORD A. PIERSON:** That is not a Point of Order, Mr. President.

**MR. PRESIDENT:** I am sorry, the Chair will rule whether it is a Point of Order or not. The question is whether you intentionally got the facts wrong. The Member who just got up says he does not rent Jeeps. Are you prepared to accept his statement or will you produce evidence otherwise?

**HON. LINFORD A. PIERSON:** Mr. President, if the Member is stating categorically in this House that no Suzuki Jeeps are rented by him, then that point is withdrawn. But I will make investigations into this matter.

The Member also stated...

**MR. PRESIDENT:** ...Sorry, I want to hear the reply to that. This is an invitation to state categorically a certain point.

**MR. JOHN B. McLEAN:** Mr. President, I am sorry to have to intervene. I do not like to disturb the Member because I agree I have had my say, but it does involve me and my company. I have no Jeeps in my fleet for rental. I have discontinued that for some time now and the Jeeps which are on the road are presently owned by another rental company. They are Suzukis, but they were not even bought from me.

**MR. PRESIDENT:** I think that clears it up. You said you would take that back? Fine.

**HON. LINFORD A. PIERSON:** I accept that explanation, Mr. President.

The Member also stated that the debate today was a waste of time and taxpayers' money. I am surprised this particular Member exacerbated that problem by spending so much time debating what was in his opinion a waste of time and taxpayers' money. Because of the short notice which was brought in May it was not possible to even debate publicly the amendment which was brought.

Mr. President, the First Elected Member for West Bay (another Member for whom I have a lot of respect and who I get along quite well with) made certain remarks which have to be replied to.

**MR. PRESIDENT:** I wonder if I might intervene? We are somewhat over the normal suspension time. How much longer do you think you need?

**HON. LINFORD A. PIERSON:** I need some more time, Sir.

**MR. PRESIDENT:** In that case, proceedings are suspended until 2:15 P.M.

**AT 12:48 P.M. THE HOUSE SUSPENDED**

**HOUSE RESUMED AT 2:23 P.M.**

**MR. PRESIDENT:** Proceedings of the House are resumed. The Honourable Member for Communications and Works, continuing.

**HON. LINFORD A. PIERSON:** Thank you, Mr. President.

At the break I was dealing with remarks made during the debate on the amendment Bill by certain Members of the Backbench. I had reached the point where I was commenting on certain remarks made by the First Elected Member for West Bay. He did, in fact, mention that he was distressed with the form of debate which had taken place. My comment is that the Elected Members of the Government Bench are also distressed with certain developments which have taken place over past months. I will say no more on that, Mr. President. He also mentioned that certain aspersions were cast. I am not quite sure what the Member was referring to, so it is difficult for me to comment on this.

I have no more to say on the remarks made by the First Elected Member for West Bay, only to say that in closing he cried shame on the Elected Members of Executive Council. I am sure that upon reflection, he will agree with me that that was totally unnecessary.

Mr. President, the Elected Members of Executive Council have taken a lot of abuse from certain Members of the Opposition. Not only during this meeting of past weeks, but it seems we must show an immunity to abuse. We must sit back like ducks in the rain and let the water run off our backs; we must say nothing. This is not the case. We will not continue to sit down and allow abuses to be heaped on us without the necessary reply being made. We have been told, not only by certain Members of this House but by our constituents, that they do not expect us to do this. We are representatives of our people first. Secondly, we are Members of Executive Council. We were asked in the past to resign. A lot of abuse: yet, as soon as we reply to any of these matters, we hear them crying that we are exacting a pound of flesh. We are human beings too and we are prepared to stand our ground. Of course we want the cooperation from Members of this Honourable House.

But, we do not want them to continually attempt to discredit us in everything that we do. I would like for each Member of that Backbench to reflect on the deliberations of this House over the past two weeks since we met here for the Third Sitting and question themselves as to the support they have given to the Government Bench; check the voting record. Yet, they are saying they want to cooperate with us. How many of them have voted with us on issues we felt strongly about, or on issues under which we had to vote under collective responsibility? Let them ask themselves that question. Let them then decide the hypocrisy of the statement made about cooperation. Mr. President, cooperation is a mutual thing. It must work both ways. It cannot only extend from Executive Council outwards. It has got to be reciprocated. That is cooperation.

It seems to me there is a systematic attempt to pick off the Elected Members of Executive Council one by one. It started with the Honourable Member for Tourism, Aviation and Trade on the Cayman Airways matter. Then with the Honourable Member for Health and Social Services on the Breach of Privilege Motion. Then with the Honourable Member for Education, Recreation and Culture on the Motion to set up an Education Fund. So there was only one left. I am not surprised that I have received the treatment I have today. This was a systematic move to continue to discredit the Elected Members of Executive Council and the listening public is not fooled or lulled into believing that there is any genuine attempt by some Members of the Opposition to try to cooperate or work with this Government. That is a lot of rhetoric. Nobody is being fooled. If they are interested in cooperating with the Government Bench, then show it - we would like to see it by deeds and actions and not just by words.

Mr. President, it is my opinion that this situation will continue. There will be continued attempts to discredit this Government. Some of them say they want an election. The easiest way I could think of to get an election (save for you calling one) is for the majority of the House to resign. I do not see the necessity for an election. But up until today I heard remarks about an election. I believe I stand as good a chance in an election campaign as any Member of the Opposition; so if they want one, let us have one and let the people decide for themselves.

I do not see certain Members of the Opposition wanting cooperation. I see a deliberate attempt for confrontation at every chance they get. It is a question of confrontation. One only has to look at the quality of the Parliamentary Questions being asked, the style of the debates on Motions,



and one will see what is intended. They claim they have a lot of astute people over on the other side. Well, I think we are pretty astute on this side too. We can see what is happening.

The whole problem today came about when certain Members claimed to have been unduly short noticed for this Bill. I am not going to stand here and name anybody, but if I have to I will. This short notice could have been avoided had the Member who brought the Committee stage amendment (rather than reminding me he was not going to do my job) brought the necessary and proper amendments during the Committee stage in May. Then it would not have been necessary for Government to have this Bill here today. So we are not going to sit here and take all the blame.

I believe, as I said in my opening remarks, this is a very good Bill. I reiterate now, and I think I speak for each Elected Member of this Bench of Executive Council, that we are not going to sit down and have a lot of abuse heaped on us, we are going to speak up for our rights.

Mr. President, I commend this Bill to all Members of this House and would ask them for their full support in this matter.

Thank you, Sir.

**MR. PRESIDENT:**  
say Aye...Those against No.

I shall now put the question accordingly. Those in favour please

**AYES.**

**MR. PRESIDENT:** The Ayes have it.

**AGREED. THE TRAFFIC (AMENDMENT) BILL, 1989, GIVEN A SECOND READING.**

### **PRESIDENT'S RULING ON STANDING ORDER 80**

**MR. PRESIDENT:** Before we move on to the next item on the Order Paper, Members will remember that after the vote on Private Member's Motion No. 20/89 yesterday, the First Elected Member for West Bay rose and under Standing Order No. 80, which deals with pecuniary interests, mentioned that in his opinion some Members might not have done what they should have done under that Standing Order in regard to declaration of interest.

Since then, as requested, he has given a note with the names of three Members. I do not propose to read those out at the moment. But I have very carefully looked at these matters and in so doing I have looked at our own Standing Orders and *Erskine May*, in particular pages 411 to 414, for Members who happen to have a copy. I have come to the conclusion that in light of the precedence, the matters cited by the First Elected Member for West Bay do not amount to a breach of Standing Order 80. But I would say it is very proper for the House to have careful and due concern for these matters, always.

I have written a reply to the letter I received from the First Elected Member for West Bay, which he handed to me this morning. I shall send to all Members a copy of the Member's letter and my reply. They will become part of the documents of the House.

So we go to Other Business, Private Member's Motion number 21/89, please. The Second Elected Member for Bodden Town.

### **OTHER BUSINESS**

#### **PRIVATE MEMBERS' MOTIONS**

##### **PRIVATE MEMBER'S MOTION NO. 21/89**

###### **POLICE PATROL**

**MR. FRANKLIN R. SMITH:**  
my name entitled Police Patrol.

Thank you, Mr. President.  
I beg to move Private Member's Motion No. 21/89, standing in

"WHEREAS the Royal Cayman Islands' Police Force has a number of 190 posts, made up of the ranks of Inspectors, Sergeants and Constables;

AND WHEREAS the Estimates of Revenue and Expenditure of the Cayman Islands for the year 1989 show this number of posts;

AND WHEREAS the Traffic Department of the Royal Cayman Islands' Police Force has in its fleet a number of seven traffic patrol vehicles;

AND WHEREAS the centre of George Town becomes very congested on cruise ship days, and there has recently occurred a first armed bank robbery in the Islands;

AND WHEREAS it is considered that patrols are not sufficiently visible to provide an

effective service to the public;

BE IT NOW THEREFORE RESOLVED THAT Government make every effort to ensure that a sufficient proportion of these 190 officers are visibly and effectively deployed in all the districts on a continuing 24 hour roster."

**MR. ROY BODDEN:**

Mr. President, I beg to second the Motion.

**MR. PRESIDENT:**

Thank you.

Private Member's Motion No. 21/89 has been duly moved and seconded. Would the Mover wish to speak to it?

**MR. FRANKLIN R. SMITH:**

Thank you, Sir.

I will now try to outline the reasons why this Motion has been brought to this Honourable House and hope that in outlining my reasons it will help the other Members of this House to support this Motion.

I wish to make it abundantly clear that this Motion on police patrols is not being brought here to criticize or condemn anyone. It is only asking if it is possible for the Government to make every effort to ask the head of the Royal Cayman Islands Police Force to help put more officers on foot patrol in every district, perhaps even more in George Town.

I do not wish to elaborate to any great extent on the recent bank robbery which took place in George Town, only to say that if there had been more police officers on foot patrol... I am not blaming the Police Department for that particular day because I believe if we all knew it was going to happen they would have put officers out, but it only goes to show us that because of the very few officers who are on foot patrol it was not hard to plan the getaway. I believe if there are more officers on foot patrol in the future, in particular on cruise ship days when the streets become very congested, it would be much more difficult for them to make their getaway. As I said, I will not deal with that issue for long.

One may say 190 officers is not very many, and I heard questions asked in this House and the answer was that there would be more officers added to the Force and it was being put into the 1990 Budget. I have no objections to that, Sir. But what I would like to know is if some of the new officers could be going into service with the Drug Squad because I believe that is one area where we need a lot of concentration also.

Back a few months ago when the Commissioner of Police went to each district of the Islands and had meetings with the public (because of the response from the meeting in Bodden Town) a week or two later we saw a few officers on foot patrol. The feedback from the public showed that they were very happy with that. The residents of Bodden Town were much happier, they were seeing something which they had hoped for for years. It was something which was needed and they welcomed it. Things like that are what people welcome. I did have a few residents say it was started but it had already been stopped, much too early. They are not there at present as they were before.

I mentioned the drug squad sector and I feel that department deserves praise. I must say, with all truth, that department has a number of officers who are all trying to achieve 100 per cent in their goal to help eradicate drugs in this country. I would personally recommend to this Honourable House that more money be allocated in the Budget for 1990 to help that department. I have spoken to a number of the officers on the drug squad and I have great respect for every one of them, but there is a certain young officer from my district of Bodden Town whom I honestly believe has the country at heart and the people also. That young man told me the time has come to dry up the supply of drugs which are coming into this country or else we might as well not attack it at all. He told me (and I will use this as an example) that if I drive my car to a gas station and ask the attendant to fill it with gas, if there is no gas in the tank the attendant cannot fill it. So, we have to look at drugs the same way. We need to stop the source and dry up the market. When there are no drugs to get, we will solve the problems of drugs.

I have heard good remarks about the two new dogs the drug squad has been given to help them find drugs. All good reports. But I believe we could do much better if we were to help those officers with two dogs in every district because, as I understand it, those dogs are only capable of doing a certain amount of time before they have to be rested. Members of this Honourable House could spend money on nothing better than helping to eradicate drugs. If we can help those officers with more dogs that are capable of finding drugs, then I believe we should do it.

Those officers, and in particular this young man from Bodden Town, indicated that not one day goes by when he does not give overtime in the districts to combat the drug problem. But he also explained that while they need more dogs, and the dogs could do the job, they have to wrestle the dogs, so when they go out it is hard for them to detect it on their own. I believe we need to consider this and give them the tools to work with when we find officers of that calibre who want to help in those situations.

Again, I do not wish to deal with this issue too long, because it was brought up in the House a few days ago, but this young man also said that it was time to look after supplying the drug squad with a plane which had the capability of staying aloft to help detect boats and other planes coming into our area. He also mentioned a helicopter, but he did agree the helicopter had one advantage over the plane in that it could go into swampy areas. But, he would give a plane a top rating because the helicopter could not go the distance the plane could.

Sir, that brings me back to where I believe the courts are after a particular plane which was seized for bringing drugs into this country. As I said, I do not wish to elaborate on that

part of it, except to say that I believe a plane like that could probably be put into use with our drug squad here. Again, with its going into service with Cayman Airways, I do not believe the Government would have to look very far for some young Caymanian to fly the plane for the drug squad because the young officer to whom I spoke said the only problem we would have with the plane or helicopter is that we do not have anyone trained in the drug squad for it. But I am happy to say that I believe the drug squad would be blessed. There are a number of young men in this country, and, in particular, in Bodden Town you could find a couple of officers who are quite capable who would volunteer to help in this situation. I believe it would be in the best interest of this country, if we are going to fight drugs, to put those young men in that position to help us. Also, it may be time for us to look hard and fast at our Drug Law, where once a plane or a boat comes into our jurisdiction and is seized by these Courts - no matter who owned it before, if they want it they could get it, but they must pay us for it - regardless of whether or not they knew it was being used for drugs.

Some may wonder how what I am saying has anything to do with police patrols. It involves police on duty if we are going to eradicate drugs in our country. I believe the drug squad is tied to the Police Department. As I said before, I am not here to criticize or condemn the Police Department. I am not against the Traffic Department putting their officers out there in cars to catch a speeder. I am not against that. My only objection to that is if those cars were more visible from the road - travelling on the highway rather than being parked at a particular spot off a highway - it would achieve the same goal. These vehicles are equipped with radar which can give them a readout on a car approaching from either direction. If the public did not know where they were going to meet that car it would put a fear in them. If I cross a vehicle in a particular area today, and I am crossing there tomorrow, it would probably ring a bell with me that I know where to look for that car.

As I said, I do not want it to be taken that I am against people being caught for speeding. So, Sir, I feel the presence of a car on the road, travelling in either direction, would help. I believe if more officers were put out in each district to walk the streets they would be safer, and it would help to make the public more aware of what is going on and the officers would always be around to help in a time of need. Mr. President, I would ask that Government make every effort to ensure all officers are put to serve the public to the fullest. I would also ask that all Members of this Honourable House consider and support this Motion.

Thank you.

**MR. PRESIDENT:**

Does any Member wish to speak? [pause] As one Member remarked earlier, the waiting game seems to be being played.

The Third Elected Member for George Town.

**MR. TRUMAN M. BODDEN:**

Mr. President, I was one who unfortunately missed my right yesterday to speak as well, so I decided I would rise early today on this matter. I would like to congratulate the Second Elected Member for Bodden Town for bringing this Motion and his colleague, the First Elected Member for seconding it.

It is a Motion I see as geared towards assisting the Islands with a decrease in crime. There are several recitals to the Motion and some of these which were mentioned, such as congestion on cruise ship days in George Town (which does get to be fairly chronic at times). I also appreciate the police can only do so much and no more. But it would be good if we had a higher amount of patrols in all districts, not just George Town.

I believe the sight of a police man in this country is still very important. People generally do respect the Law. As the Member mentioned, the first armed robbery has now come about in the Islands, this is unfortunate, but it is the first armed robbery of a bank. Unfortunately, citizens have suffered this in the past and only now it has come to the forefront because with a large banking institution more is focused on it.

Patrols are one area in which the police cannot do too much. The knowledge that a police car or a policeman on the beat in the more congested high residential areas is something which must assist with the reduction of crime. While on this subject, one of the things in my campaign and also in my Manifesto (something like 12 or 15 points relating to the reduction of crime) were the Neighbourhood Crime Watches, which I think if we could get introduced would assist the police patrols in many respects and would do much towards the detection of and the deterrent of crime in the districts. If the police are somewhat pressed for patrols there is no reason why something like a Neighbourhood Crime Watch could not cover a substantial gap in patrolling in the areas which are more densely populated.

A policeman's job is a very difficult one, undoubtedly the most difficult and perhaps the most dangerous of the Civil Service or private sector jobs. They do have my sympathy in many respects in that area. However, I do stand behind the Mover of this Motion (and also behind the Motion) and would ask that they take a good hard look at the overall position and wherever possible we see an increase in the number of patrols. In areas where there is the higher possibility of crime than in other areas we could see an increase in the deployment of the police officers in that area.

I believe money cannot be better spent than on the police or in areas which will assist with the reduction of crime in the Cayman Islands. Whatever is reasonably necessary for the police or any other bodies, be they private or otherwise...for example, relating to drugs, this House should look favourably at those votes because if the crime rate gets too high (and in Cayman there has been some heavy increases in some areas) then society itself, ultimately, could well crumble from within.

Having said that and having expressed my sympathy for the difficult position of the police officers, I support the Motion. I would ask, as it says here, a sufficient portion of the officers be visibly and effectively deployed in all of the districts. If possible, it should be done on a 24-hour roster

where it is necessary.

I would like to congratulate the Member again for bringing this Motion. It is one which affects every person in society. To me it is a popular Motion and one I hope will have the support of the House, fully. I also would like to congratulate the seconder of the Motion. As I mentioned earlier I would hope in the not-too-distant future we would hear what has been happening in relation to this and what the possibilities are of the increase in patrols in the different districts.

Thank you.

**MR. PRESIDENT:**

The Honourable Third Official Member.

**HON. J. LEMUEL HURLSTON:**

Mr. President, I rise to speak to Private Member's Motion No. 21/89, seeking to invite the Government to make every effort to ensure a reasonable distribution and deployment of officers within the Royal Cayman Islands Police Force, and to have all such officers deployed in all districts on a 24-hour basis wherever possible. There is nothing objectionable about the motive and intent of such a resolution, Sir. Indeed, the Member moving it is to be commended for his expression of concern, the expressions of certain anxieties which I take to be a reflection of the anxiety within the community generally; also for expressing those concerns in a manner which leaves the Government quite amenable in agreeing to this Motion.

The Motion turns largely on the question of manpower. Manpower resources anywhere is an expensive resource. Cayman is no exception. So what we are talking about are expensive manpower resources. Expensive in terms of recruitment, training and deployment.

We have heard from previous Speakers that Policing is a difficult responsibility, and that is very true. The smaller the community, often times, the more difficulties seem to appear. Certainly, identities become a major issue and in a tourism destination one has to have a balance between the needs of the community from a law enforcement stand point, as well as the need to not over-react and over provide, thereby creating an impression that there is such high crime and such high criminal activity that many, many Law Enforcement Officers are needed.

I recall visiting a certain city in South America, and while walking in the Capital downtown seeing a large number of armed uniformed military officers on every street corner. As I had never visited the country before I accepted as a tourist that was the normal way of life in that city. When I returned home from my visit, I learned on the news that the city I had just visited was, in fact, under a military state of emergency. At the time of my walking downtown in the city little did I know that such a state of emergency had been declared. Therefore, one has to be cautious not to deploy such a number of persons as to give the impression that one is in a rather non-law abiding environment.

The House is aware, from information given during Question Time early in this week, that there are proposals to come forward in the Budget Session relating to increased establishment for the Royal Cayman Islands Police. I also believe in an interview a day or two after the Commissioner of Police, himself, indicated to the media that many of those increases, if granted, will result in increased deployment in all districts of the Islands.

On the question of deployment may I take the opportunity to give some statistics on the current average level of deployment in the force using the 190 staff complement which has been referred to in the Motion. For the benefit of Members, as I will be quoting these statistics, I wish to circulate copies of these statistics so they can have these to refer to.

Mr. Serjeant, I would be grateful if these copies could be distributed to all Members, and if a copy could be laid on the Table of this Honourable House, I would be very grateful, Sir.

The statement is:

"Based on the present establishment of 190 Inspectors, Sergeants and Constables within the Royal Cayman Islands Police, the undermentioned posts are deployed (when such posts are filled) in the following manner.

Central Police Station	54
Traffic	20
West Bay	16
Cayman Brac	9
Bodden Town, East End, North Side	7
Total uniform complement	106
Remaining uniform and non-uniform complement	84
TOTAL	190

The above complement is comprised as follows:

CID	46
Courts	3
Marine	7
Training	3

Airport	6
Government House Driver	2
Administration	2
Exhibits Officer	2
Garage	2
Vehicle Testing	1
Computers	2
Control Room	2
Tailors	2
Dog Handler	1
Armor	1
TOTAL	84

Now, Mr. President, in answering a supplementary question, during Question Time earlier this week I indicated that statistics can sometimes be confusing, particularly when they are expressed on a shift system of a 24-hour day basis, 365 days per annum. In fact, when it is done in the case of such a service, the results are a little disconcerting in that of the 54 officers for example deployed at the Central Police Station, in order to operate three shifts providing 24 hour coverage of eight hours each, there is an average of only 11 officers on duty.

Those average officers, in addition to law enforcement duties, perform a number of extraneous duties, such as bank escorts, prison escorts, currency board security duties, guarding prisoners in custody, etcetera. Many of these extraneous duties in the Cayman Islands are duties that elsewhere would be performed by some civilian or other non-police staff.

Here, of course, we accept the police have traditionally taken this responsibility and have discharged it to the best of their ability. But in terms of manpower, it does stretch them and it does often present stresses and strains. I need not go into the particular difficulties which arose last year, for example, when we had a prison break, we had Hurricane Gilbert, and the visit of Princess Alexandra - all adding additional strains on an already busy Force.

Officers of the Force work with an extremely high degree of dedication to duty. Although ideally they are supposed to get two rest days, invariably many never do get this. They are not paid one penny of over-time as compensation.

Some five years ago when an advisor visited, it was recommended that the Cayman Islands at that time should possibly be looking at a Police Force with a strength or complement of about 200. The current complement some five years later, with all the growth and development which has taken place, has just reached 203. Therefore, it is easy to conclude we have not even maintained the former level of service, let alone been able to maintain any improved level of service. Yet, the service has improved. I believe that is largely due to the organisation and methods deployed, the style and management which is in place and the motivation and leadership of all senior officers in the ranks.

If the increased establishment goes into place next year the Force will be in a position to maintain the expectations the police have targeted as a result of the recent series of district meetings, and will hopefully be able to deploy some additional foot patrols in districts. But we have to bear in mind that the ultimate objective is for the community to police itself. Any good police Force relies on good information or good intelligence. It becomes very expensive if a community that is capable of policing itself gives up that responsibility and instead, looks to the state to hire someone to police that community for it. I believe that I should therefore take the opportunity of saying the police welcome and expect the fullest support and cooperation from every responsible citizen and resident of these Islands in order that we might together, police the community and might together have an impact on the reduction of crime generally.

One Member suggested the possible introduction of Neighbourhood Crime Watches. Although I have no experience with such Neighbourhood Crime Watches, I am reliably informed that the experience in most other places where this has been tried is that it generally has the effect of moving the crime from one neighbourhood to another neighbourhood and it never usually has the effect of eliminating it; it simply moves it further down the street. This is why I would prefer the happier situation where the entire community is on every street working together, rather than working in little isolated units.

The command of the Force is done in such a way that due regard is taken of the need to pay attention to areas of high criminal activity and areas of other high priority, drugs included. The deployment of officers has to be based on the urgency of the situation as seen through the eyes of the officers in command at any one point in time.

In such a situation it is difficult to give the public the assurance the police are there and working on the one hand, while, on the other hand, not revealing so much information and so much of the technique used as to provide ammunition to those who are criminally minded.

But, as in most other problems, Sir, long term education is the answer. The Police Force is improving its ability to engage in citizen awareness programmes and crime prevention experiences so as to provide the ability by imparting knowledge to those who need it, so we can help ourselves.

Much of the crime, for example burglaries and thefts, appears to be committed at locations which upon investigation turn out to not themselves have been properly secured and protected from such criminal intervention. So we have a responsibility to educate ourselves first and foremost as to what reasonable steps we ought to be taking, so we minimize the burden we put on law enforcement agencies.

Let me take the opportunity, too, of assuring Members there is

currently an improved commitment and thrust and cooperation between all law enforcement agencies in the Cayman Islands aimed, among other things, at the war on drugs. For example, Customs and Police are working very closely together on interdiction and this has got to be the way of the future. We can no longer depend on one branch or one arm of the Government to do everything. We now have to share good information, good intelligence, one with the other. We have to use all the resources at our disposal and formulate effective plans of responding to sophisticated types of criminal activity.

**MR. PRESIDENT:** Excuse me a moment, are you likely to go for a lot longer, or shall we take the tea break?

**HON. J. LEMUEL HURLSTON:** I think we could take the break, Sir.

**MR. PRESIDENT:** Proceedings are suspended for 15 minutes.

**AT 3:22 P.M. THE HOUSE SUSPENDED**

**HOUSE RESUMED AT 3:47 P.M.**

**MR. PRESIDENT:** Proceedings of the House are resumed on Private Member's Motion No. 21/89. The Honourable Third Official Member, continuing.

**HON. J. LEMUEL HURLSTON:** Mr. President, I was saying there is a new thrust and new resolve among the various law enforcement agencies in the Cayman Islands aimed at improving our enforcement capabilities and our ability to cooperate one with the other for the common good of the country.

Returning now to the question of deployment. In summary, it is the position at the moment that given the need for rest days (two out of seven days per week), given the need for annual vacation leave of officers, given the need for training commitments, sickness, etcetera; these commitments amount to some 30 per cent of the entire complement being absent from duty each day. The remaining 70 per cent, therefore, is what is available for deployment.

As I mentioned earlier, many of those officers are deprived of their rest days and have to return to active duty, often doing more than one shift continuously without a break. Such is the nature of the job. The officers never complain and they perform their duties with a tremendous degree of loyalty and dedication. I believe the occasional credit and accolade extended to them is well deserved.

The Motion, therefore, is a well intended Motion and does not seek to fetter the Commissioner in the discharge of his responsibilities, but simply invites the Government to make every effort wherever possible to ensure a fair and reasonable deployment of officers within the Force. I am happy that Members who have spoken so far have indicated a willingness to support measures which may result in increased budgetary commitments and I look forward to that support in the Budget session. Therefore, I am happy, on behalf of the Government, to signify the Government's acceptance and agreement to Private Member's Motion No. 21/89.

**MR. PRESIDENT:** The First Elected Member for Bodden Town.

**MR. ROY BODDEN:** Thank you, Mr. President.

As the seconder of the Motion, quite naturally I would wish to say something concerning the resolution. I suppose it is appropriate to begin by saying that I, too, have no reason to castigate or criticize the actions or activities of the police in this regard. The observation made by the Honourable Third Official Member replying for the Government (that the Motion was motivated by concern expressed to us by certain of our constituents) is indeed accurate and correct.

I, too, give a commitment, if and when the necessity arises for funds to be voted for improvement of the enlargement of the Police Force, I would be prepared to give my support because I know the police performs a valued job and I respect the fact that many of the young officers sometimes lay their lives on the line and are working while the majority of us are sleeping soundly. Having said that, there are a couple of points I would wish to draw to the attention of Members of this Honourable House.

The first, I suppose, concerns the comment which was made by the Honourable Member concerning a heavy police presence and the obvious impression it may convey or construe to the public. Like him, I remember visiting Panama in 1984. I do not know which South American country he visited. I visited Panama and one of the first things which caught my attention was the number of armed military men and policemen on the street. I was so concerned because in some instances it seemed to me that the automatic weapons they carried were larger (at least taller) than the men who were equipped with them. I would say to myself, "My gosh, what does all this mean?" Later when I met my Panamanian friend I asked him about it and he said, "In Panama we are serious about certain things, such as loitering and vagrancy, etcetera, and the heavy police presence is intended to deter that nature of laziness or shiftlessness, as we call it."

I also had the good fortune of spending some time in Japan on training that same year. In the section of Tokyo where I lived I noticed there was also a fairly obvious police presence, but it was of a totally different nature because for the most part the uniformed police were unarmed. Tokyo, being as famous and notorious as it is for heavy traffic, these police performed what I would call, custodial duties. It was striking how they had the police set up on the streets. Rather than having precincts as we are accustomed to in North America, and even police stations as we are accustomed to, there were a series of little

booths and kiosks, about three or four times the size of a telephone booth. Behind it there was a desk where a Sergeant sat and there were three other officers. One of whom invariably was a lady officer. It was fascinating to me the first week I went there because it seemed all they were doing was whistling. They had these whistles, but they were moving the traffic along and they were also offering assistance to passersby who needed assistance with directions, etcetera.

I was very impressed by the orderliness with which the city functioned and also by the role the police played because it seemed they were heavily utilised. People went up to them asking directions frequently, and they were accustomed to that. I also noticed that parked outside each of them had a bicycle, and there was a radio and telephone communications with their precinct.

I say that because a moderate to heavy police presence does not necessarily mean - although at first sight it could be interpreted to convey an idea or impression of some lawlessness, but it does not necessarily mean that. I am of the opinion that like the old West Indian adage, an ounce of prevention is better than a pound of cure, sometimes I believe it is better for the presence to be obvious and a deterrent, than for it not to be so obvious and something happens - even if we have a good record at solving the crimes when they happen.

The second thing is that the notion of police/community involvement is becoming an increasingly attractive one, especially in view of the escalating costs of equipping and operating police forces to combat the increasingly sophisticated and devastating fire power of the criminals, and especially people involved with the drug trade. We were talking about the possibility of the Neighbourhood Crime Watch. Personally, I believe in our society this could be a very effective means because it would do two things: First, it would open a liaison, or a rapport, with the police and the community, which would be mutually supportive in the respect and trust for each other. Secondly, it would also enable the citizens to realise they can perform a role and an active part in preventing crime in their communities.

As I understand it now, the concern that some people have is that it could degenerate into vigilantism. Let me suggest that in our society, as bad as we may think we are, there is no need for householders to live like they live in New York City and have a 357 on the mantle piece, so the possibility of the citizens having weapons is nonexistent. All we would need to be effective is to have access to a hot-line where, if we saw something suspicious, we could phone to the police and say, 'listen, I am in Bodden Town in Block B. I see a strange car and some strange happenings. Can you send a patrol car to check it out?' The communities located the way they are in Cayman, I do not think if we had a Neighbourhood Watch in every community and every district... it would be difficult then to move the crime from one district to the next. That way we would force those people of a criminal nature to operate out of bounds, and to operate more clandestinely; forcing them into positions where the police could more easily apprehend them because if the Police Patrol came upon someone on the dike roads and if you did not have a legitimate reason for being there, then the police can say, "Listen, I suspect you are up to something illegal. I wish you to accompany me to the Station and let us find out what it is about".

So I think the notion of police/community cooperation, Neighbourhood Watches, or whatever, could work, and I notice quite interestingly that the Third Elected Member for George Town had proposed it as early as his campaign in the election. When the police came to Bodden Town, I mentioned it.

There is another way which it could be beneficial. It would probably alleviate the necessity to hire a large number of additional police officers because it seems to me the ideal situation would be to look at the present complement and try to find the best way of rostering them for the most effective patrols. So I posit again that perhaps this is one way we could approach it.

I believe and I have to commend publicly my colleague, the Second Elected Member for Bodden Town, for moving this Motion. I believe that coming at this time it is an especially important and sensitive Motion, and I am glad the Government found it acceptable and is prepared to investigate and see how best we can put the request into action.

I would like to say the Police Force, is doing a good job. But it is an acknowledged fact that in some areas there can be some improvements. I, too, would like to be placed on the record as saying the acquisition of more drug dogs would definitely help the situation. I would like to see one or two permanently stationed in my constituency because there are growing concerns among many of our constituents who come to us with their concerns that drugs and drug use is getting out of hand. As their representative I am alarmed at the number of young men I see apparently not seeking constructive employment. So, I am saying to the Official Member whose responsibility this is that I will be supportive of any request which calls for public funds to improve these facilities. With that, Sir, I say, again, I am supportive of this Motion.

**MR. PRESIDENT:**

The Second Elected Member for the Lesser Islands.

**MR. GILBERT A. McLEAN:**

Thank you, Mr. President.

I rise to support Private Member's Motion No. 21/89, entitled Police Patrol. I am very happy to see the Second Elected Member for Bodden Town bring such a Motion. I think in its resolve section it is quite reasonable that Government be asked to make every effort to ensure a sufficient proportion of the total number of police officers in the Islands are visible and effectively deployed in all districts, in a continuing 24 hour roster.

In this Meeting of the House I asked a question which sought to determine the number of police officers in the country and I am particularly glad to see the Third Official Member has given a further breakdown which I feel helps the House, certainly, myself, and the public, to get a better picture of how police officers are deployed.

Mr. President, I very much support law enforcement and law and order in these Islands. Anything I can do as an elected representative through word or deed to assist, I am prepared to do. I think one of the areas which can be looked at in respect of the Police Force is the public becoming more aware of what they are doing, of the various areas where they are deployed in such a manner that it keeps the public more regularly informed of the activities of the police. As I said, I very much appreciate seeing this particular breakdown of the deployment of the officers.

As the Member developed his debate, he pointed out that police officers are used in areas where (and I must confess, I never gave too much thought to this) in other countries they are not. Armed guards are used, paid for by the various establishments. But he did point out that we use police officers here in guarding prisoners, the transfer of prisoners, moving monies where the Currency Board is involved and also for banks moving monies from point "A" to point "B". I believe this type of information is helpful to the public. I certainly find it helpful to myself as I take note of this particular aspect of police work.

I share the view that there is such a thing as having too many police officers so an impression could be given of a (I will use the term) police state. The Honourable Third Official Member put it a different way, but I think a wrong impression could be given if there are too many police officers.

While we do have quite a bit of crime, we are fortunate in that are not many cases of murder and robbery on a regular basis as it is in so many other countries and so many other cities. There is a lot of crime involving drugs, however. In my opinion our position should be to have only as many police officers as are necessary to deal with the areas of police work as we have a need for. Perhaps, the Honourable Member, through the proper channels, could look at a situation where, for example, banks might look to employ guards for transfer of monies, or perhaps paying for the service of the police. I do not know if it is done, but maybe the time has come for banks to look at the need for (and Government could allow) the hiring of such persons (to be armed if necessary) for banks.

One of the areas where I see the police quite visibly is in the traffic area. Personally I would like to see more patrolling, rather than the condition of sitting on the roadside waiting for some unsuspecting motorist, who perhaps at that point in time is not paying enough attention to know they are going five miles over the speed limit, to be given a speeding ticket. I have noticed that just the sight of police car tends to have the driver of a car automatically take his foot off the gas or ease up on the speed he is doing. I believe actually being in motion could have as much effect as penalties by a police car popping out on the road and coming after a motorist who is going over the speed limit.

Here on this Island we are speaking of the deployment of police officers. As one comes into George Town each day at the area of the old Prospect Road in Red Bay, I am sure if a police officer could be deployed there they would see virtually dozens and hundreds of motorist cutting through that road, to cut back into traffic which I believe is wrong. One of these mornings, someone who does not choose to have someone make that short cut and cut in front of them is going to cause an accident there. I put that forward as something which the Member could have the police take a look at.

The idea of a citizen watch I feel would help police in gathering information because crime or illegal activity has to happen somewhere, and within the community there are good law abiding citizens who can inform the police of this matter and become more actively involved in policing, through that method. I have noted what the Third Official Member has said from information he has crime tends to move from one place to the other. But, it is my belief if it is possible for such a citizen watch to be set up, overall it could have a positive effect.

I am very happy to know the Customs and Police are working closely together. I feel that is necessary as has been stated by the Member responsible for the police. The sharing of information is very important. Unlike the United States - where I am made to understand each department of enforcement is absolutely distinctly different from the other and there is not enough central pooling of information - I think in our situation this matter can be greatly helped through such cooperation between the Customs and the police.

The idea of the drug dogs I believe is one of the most positive steps which Government has taken in police operations. The dogs' only friends are their masters. They are not selective in who or what they sniff. I think the potential of the dogs in drug operations is wide and, certainly, I would support any request for monies where it took my vote to receive that to increase by perhaps one or two more as the case may be. I think it is one of the surest ways of drug protection.

While speaking of deployment, I would like to ask the Third Official Member to look at the situation in Cayman Brac with the number of police there. I am not quite certain how many there are in total, but I do know on some shifts (and it is usually on the night shift) to the best of my knowledge there are times when the station is closed and there is not an officer physically there. I have experienced it. On some occasions there will be an answering machine, but I believe the total number for Cayman Brac does not have to be large. It is not that large now, compared to Grand Cayman, but if it needs one or two more staff so there are two officers on shift - if one is out in the squad car, there is one physically at the station. As I said, I have seen instances where there has not been an officer there. Since it is the intention to increase the numbers, I would ask the Member to please look at that situation.

Mr. President, I think this is a very reasonable Motion and the Member bringing is to be complemented. I have great pleasure in supporting this Motion.

Thank you.

**MR. PRESIDENT:**  
case, would the Mover wish to reply?

Does any other Member wish to speak on this Motion? In that



**MR. FRANKLIN R. SMITH:**

Thank you, Mr. President.

those who have given their silent support.

I would like to thank all Members who spoke on this and also

I do not intend to drag this out but I would like to say the Honourable Member of Government said the Police Force needs the community's help. This is one of the areas where I have had complaints from many in my constituency, as the Second Elected Member for the Lesser Islands just mentioned, when they see something happening and they call the Police Station in Bodden Town no one is in attendance. I am not tearing them apart, I am saying this is one area which needs some attention.

I called to the Station and spoke to Superintendent Smith, the officer in charge, to get an explanation (due to this Motion I was bringing) and I asked him why the three patrol cars in Bodden Town were parked and no one was at the Station? He explained to me that one of the cars is from North Side, one is from East End and one is from the Bodden Town area. As I said, I am not pulling them down or anything else, Sir, it is just a concern that residents have and on many occasions they have wanted to inform the police about something but, at times, the Station is closed and no one is in attendance. He explained that officers do have a heavy load and I appreciate that.

Another area where he touched was that the Customs Officers and Police are working together. I also appreciate that. I do hope in the near future we could see the Customs Officers working a little closer with the police regarding an incident which happens at the airport that needs some attention. One applies for an import permit for shotgun cartridges. They arrive at the airport and are declared by way of a customs declaration form. They present their permit and a Customs Officer tells them Customs has to keep the 25 shots there until an officer at the Police Department can come and pick them up and take them to the Station. Then he must go to the Police Station and collect them.

I think that is very unnecessary for the police officer to have to leave the Station and collect 25 shotgun shells. When you try to collect them from the Police Station, the officer is not there, you make another trip, he is not there again. So I believe the Customs Officer should be trained in that particular instance to avoid the officer having to leave the station to pick up a package of shells.

As I said, I will not prolong this. I wish to thank all Members, the Government and the Backbench, for supporting this Motion. I believe it will help our districts. I am also happy to hear Members who spoke in support the move. If the Government sees fit to ask for more money to support the drug officers with more police dogs, they have committed themselves to supporting that, and also more officers.

Thank you.

**MR. PRESIDENT:**

say Aye...Those against No.

I shall put the question on this Motion. Those in favour please

**AYES.**

**MR. PRESIDENT:**

The Ayes have it.

**AGREED. PRIVATE MEMBER'S MOTION NO. 21/89 PASSED.**

**MR. PRESIDENT:**

14/89. The Second Elected Member for Bodden Town.

Next item of business is Private Member's Motion number

#### **PRIVATE MEMBER'S MOTION NO. 14/89**

#### **AMENDMENT TO THE STANDING ORDERS OF THE CAYMAN ISLANDS' LEGISLATIVE ASSEMBLY**

**MR. FRANKLIN R. SMITH:**

Thank you, Mr. President.

I beg to move Private Member's Motion number 14/89 standing in my name, entitled Amendment to the Standing Orders of the Cayman Islands' Legislative Assembly:

"WHEREAS SECTION 46(1) of the Standing Orders of the Cayman Islands' Legislative Assembly provides that a Bill coming before the Legislature shall be Gazetted as soon as possible before it is proposed to be read a first time;

AND WHEREAS this same section provides that every Member of the Legislature shall receive the text of a Bill fourteen (14) days before it is proposed to be read a first time;

AND WHEREAS it is considered that the intent of this said section of the Standing Orders was to provide that Bills be Gazetted fourteen (14) days before they are proposed to be read a first time in order to provide both Legislators and the public alike due notice to consider same;

BE IT NOW THEREFORE RESOLVED that section 46(1) of the Standing Orders be amended by deleting this existing section 46(1) which states:

'46(1) If a bill complies with the requirements of Standing Order 45

(examination of bills) the Clerk shall cause the text thereof and the explanatory memorandum to be Gazetted as soon as possible and shall also send copies of it to reach every Member not less than fourteen days before it is proposed to be read a first time.';

And by substituting the following therefor:

'46(1) If a bill complies with the requirements of Standing Order 45 (examination of bills) the Clerk shall cause the text thereof and the explanatory memorandum to be Gazetted fourteen clear days before it is proposed to be read a first time, and shall also send white copies of each Bill to every Member as soon as possible after it has been tabled in the Clerk's office.;

AND BE IT NOW FURTHER RESOLVED that Standing Orders 46(3) and 48, and any other consequential Orders, be amended to provide that upon a Bill having been deemed to have been read a first time that it shall stand deferred to the next meeting of the Legislature for its second reading."

**MR. ROY BODDEN:**

Mr. President, I beg to second the Motion, Sir.

**MR. PRESIDENT:**

Private Member's Motion number 14/89 has been duly moved and seconded. Under Standing Order 84(3) the Chair is required to put the question at once. The question is that the proposition in this Motion be referred to the Standing Orders Committee. Those in favour please say Aye...Those against No.

**AYES.**

**MR. PRESIDENT:**

The ayes have it and it so stands referred.

**AGREED. PRIVATE MEMBER'S MOTION NO. 14/89 STOOD REFERRED TO THE STANDING SELECT COMMITTEE ON STANDING ORDERS.**

### **ADJOURNMENT**

**HON. THOMAS C. JEFFERSON:**

House until 10:00 A.M. tomorrow morning.

Mr. President, I move the adjournment of this Honourable

**MR. PRESIDENT:**

A.M. tomorrow morning? I shall put the question.

The question is that the House do stand adjourned until 10:00 A.M. tomorrow morning? Those in favour please say Aye...Those against No.

**AYES.**

**MR. PRESIDENT:**

tomorrow morning.

The Ayes have it. The House is accordingly adjourned until

**AT 4:25 P.M. THE HOUSE STOOD ADJOURNED UNTIL 10:00 A.M., THURSDAY, 14TH SEPTEMBER, 1989.**



**THURSDAY  
14TH SEPTEMBER, 1989  
10:31 A.M.**

**MR. PRESIDENT:** Prayers by the First Elected Member for West Bay.

**PRAYERS**

**MR. W. McKEEVA BUSH:**

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, the Queen Mother, Philip Duke of Edinburgh, Charles Prince of Wales, Diana Princess 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 Members of Executive Council and Members of the Legislative Assembly that they may be enabled faithfully to perform the responsible duties of their high office.

All this we ask for Thy great Name's sake, Amen.

Our Father, who art in Heaven, Hallowed be Thy Name, Thy Kingdom come, Thy will be done, in earth as it is in Heaven. Give us this day our daily bread: And forgive us our trespasses, as we forgive them that trespass against us: And lead us not into temptation; but deliver us from evil: For Thine is the Kingdom, the power and the glory, for ever 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 His countenance upon us and give us peace now and always. Amen.

**APOLOGIES**

**MR. PRESIDENT:** Proceedings of the House are resumed. There is an apology for late attendance from the Honourable First Official Member.

**QUESTIONS TO HONOURABLE MEMBERS**

**MR. PRESIDENT:** Questions. The Second Elected Member for the Lesser Islands, please.

**THE SECOND ELECTED MEMBER FOR THE LESSER ISLANDS TO ASK THE HONOURABLE SECOND OFFICIAL MEMBER RESPONSIBLE FOR LEGAL ADMINISTRATION**

**NO. 102:** Would the honourable Member say what was the total cost to Government for legal services and investigations by Scotland Yard in the recent case involving James M. Bodden Jr.?

**HON. RICHARD W. GROUND:** The legal costs of the prosecution were \$27,493. The costs of the police investigation are difficult to determine as this was not the only matter under consideration by the investigating team. For the purposes of this answer I have taken one half as attributable to this case (except for costs incurred this year, which I have included in full), which gives \$113,978, including travel, accommodation and back-up services. The overall total, therefore, is \$141,471.

**SUPPLEMENTARY:**

**MR. GILBERT A. McLEAN:** Mr. President, would the Member say if any services were available at all locally in arriving in the completion of this particular case?

**HON. RICHARD W. GROUND:** I am afraid, Mr. President, I do not understand the question.

**MR. GILBERT A. McLEAN:** I am asking, Mr. President, if any local legal services were used at all, arriving at the completion of the case?

**HON. RICHARD W. GROUND:** In respect of legal services, in-house assistance was provided by Crown Counsel in the gathering together of evidence and the giving of advice upon evidence at this end and in liaising in coordinating the preparation stages of the trial. The Councillor who prosecuted the case came from off

the Island and therefore, this on Islands coordination and liaison was necessary. If the Member is asking whether we sought private sector assistance on the Island, the answer is no, none of the legal firms nowadays are willing to take prosecution work.

**MR. PRESIDENT:**

Lesser Islands.

No further supplementaries.  
Question 103, please. The Second Elected Member for the

**THE SECOND ELECTED MEMBER FOR THE LESSER ISLANDS TO ASK THE HONOURABLE THIRD OFFICIAL MEMBER RESPONSIBLE FOR INTERNAL AND EXTERNAL AFFAIRS**

**NO. 103:** Would the honourable Member say what is the total number of dependents of gainful occupation licence holders presently residing in the Cayman Islands?

**HON. J. LEMUEL HURLSTON:** The total number of dependents of gainful occupation licence holders presently residing in the Cayman Islands is 2,102.

**SUPPLEMENTARIES:**

**MR. GILBERT A. McLEAN:** Mr. President, would the Member say that although being dependents, any of these persons are employed as well?

**HON. J. LEMUEL HURLSTON:** Mr. President, the answer is that yes, some persons who are legally resident on the Islands as dependents of persons on gainful occupation licences are eligible for consideration for employment purposes.

**MR. PRESIDENT:** The Third Elected Member for George Town.

**MR. TRUMAN M. BODDEN:** Does the Government have any quota in relation to dependents?

**HON. J. LEMUEL HURLSTON:** Mr. President, the Government does not have a quota but it has a policy and the policy published in directives to the Caymanian Protection Board by the Executive Council sets the limit of the size of families to a maximum of three dependents.

**MR. PRESIDENT:** There appear to be no more supplementaries. In that case we move to the next item of business.

**HON. MEMBER FOR HEALTH:** Under Standing Order 31, I have been notified by the honourable Member for Health that he wishes to make a personal explanation. The honourable Member for Health,

**PERSONAL EXPLANATION (STANDING ORDER 31)**

**HON. D. EZZARD MILLER:** Thank you, Mr. President.  
During the Second Reading debate on the Traffic Bill, 1989, yesterday, I made the following statement:

"...and they talk about holistic attitudes and their Christian principles. If you are talking about previous conversations, they are the ones who advocated the change to the Music and Dancing Law. They told us they were going to support it. They were the ones who went to the Members asking for it to be changed."

Mr. President, in the context of that statement the word 'they' does not refer to, nor include, all Backbenchers. I regret that this has been misinterpreted, but in the heat of debate these things happen. I therefore apologise to anyone whom it may have offended.  
Thank you, Sir.

**MR. PRESIDENT:** We move now to the next item which is Bills, Committees. The House will now go into Committee to study a Bill entitled the Traffic (Amendment) (No. 2) Bill, 1989.

**GOVERNMENT BUSINESS**

**BILLS**

**HOUSE IN COMMITTEE**

**THE TRAFFIC (AMENDMENT) (NO. 2) BILL, 1989**

**MR. CHAIRMAN:**

The House is now in Committee.

It seems there are no typographical errors and such the like, but may I take it that in regard to this Bill we follow the usual practice - the Honourable Second Official Member will deal with minor printing errors and such like? Thank you.

**CLERK:**

The Traffic (Amendment) (No. 2) Bill, 1989.  
Clause 1. Citation.  
Clause 2. Amendment to section 34.  
Clause 3. Amendment to section 39.

**MR. CHAIRMAN:**

The question is that clauses 1 to 3 do stand part of the Bill. Would those in favour please say Aye? Those against No?

**AYES.**

**MR. CHAIRMAN:**

The ayes have it. I am sorry, I may have been a little quick. [addressing the Third Elected Member for George Town] Do you wish to say something? Sorry.

**MR. TRUMAN M. BODDEN:**

I am sorry, Sir, the chair was in the way there I guess. What I just wanted to get clear is that under section 3, as I understand it means that experience, or a licence which was granted outside of the Cayman Islands for 125 cc motorcycle, would not be relevant under this for the two year period towards a bigger motorcycle.

**HON. RICHARD W. GROUND:**

Mr. Chairman, it is correct that somebody who had experience on such a motorcycle outside the Islands would not qualify for the purposes of this. He would have had to have held a full Cayman Islands licence for two years. However, someone who had held a full licence, qualifying him to drive one of these motorcycles outside the Islands, and who otherwise fulfilled the age requirement might be able to come here and apply to take the test straight away because this is hinged on provisional licences. If the Member sees that: "...no person shall be granted a provisional licence in respect of a motorcycle...". The provisions as to who can take the test will be dealt with in regulations which will be ancillary to this. The Member has raised this point to me and I think it is something (if he is concerned that such people have relevant experience overseas) which we can take into account in those regulations.

**MR. TRUMAN M. BODDEN:**

I was just concerned that the public know precisely under this before we have people bringing motorcycles here and then find out they cannot get a licence. Perhaps the Government would be good enough to do a press release when the regulations come out, clearing the position fully, so there is no doubt about it.

**HON. RICHARD W. GROUND:**

I think I can say that the position of people with relevant overseas experience is not something that has been particularly canvassed, so far. I am happy to look into it in the light of the drafting of the regulations, then, when the full package is put together and announced, to make all aspects plain.

**MR. TRUMAN M. BODDEN:**

I understand that. Lastly on this, perhaps a word of caution to anyone bringing in a motorcycle, they should be certain they can get a licence before attempting to import any large bike.

**HON. RICHARD W. GROUND:**

I certainly hear what the Member is saying.

**MR. W. McKEEVA BUSH:**

Mr. Chairman, just one observation on the Bill. There was cause for concern about age limits and so on, but it is my understanding that a person would be unable to even get insurance on large bikes, so that lessens the concern that we may have had. I do not know whether there are going to be any special favours as to whether these big bikes are going to be for rent, and we hope that would not be so in this country.

**MR. ROY BODDEN:**

Mr. Chairman, on that point I would like to inform the Members that was a concern of mine as well. I checked around and found out that the banks are reluctant - as a matter of fact, they discourage lending money to young people to purchase bikes. I called up the insurance companies and they do not offer full comprehensive insurance on this size bike. The Members can take note of these facts because I think it alleviates some of the concerns that we had earlier about these bikes falling into the hands of irresponsible people.

**MR. CHAIRMAN:**

I think I had better put the question again on that because I am not sure now whether I said the ayes have it at the end of all that. So the question is that Clauses 1 to 3 do stand part of the Bill. Those in favour please say Aye...Those against No.

**AYES.**

MR. CHAIRMAN: The Ayes have it.

AGREED: CLAUSES 1,2 AND 3 PASSED.

CLERK: A Bill for a Law to amend the Traffic Law (Revised).

MR. CHAIRMAN: The question is that the Title do stand part of the Bill. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

MR. CHAIRMAN: The Ayes have it.

AGREED. THE TITLE PASSED.

MR. CHAIRMAN: That concludes proceedings in Committee on a Bill for a Law to amend the Traffic Law (Revised).

**HOUSE RESUMED**

MR. PRESIDENT: Please be seated. Proceedings are resumed. Report.

**REPORT ON BILL**

**THE TRAFFIC (AMENDMENT) (NO. 2) BILL, 1989**

CLERK: The Traffic (Amendment) (No. 2) Bill, 1989.

HON. LINFORD A. PIERSON: Mr. President, I have to report that a Bill shortly entitled, The Traffic (Amendment) (No. 2) Bill, 1989, was considered by a Committee of the whole House and passed without amendment.

MR. PRESIDENT: The Bill is accordingly set down for third reading.

**THIRD READING**

**THE TRAFFIC (AMENDMENT) (NO. 2) BILL, 1989**

CLERK: The Traffic Amendment (No. 2) Bill, 1989.

MR. PRESIDENT: The Honourable Member for Communication and Works.

HON. LINFORD A. PIERSON: Mr. President, I beg to move that a Bill shortly entitled, The Traffic (Amendment) (No. 2) Bill, 1989, be given a third reading and passed.

MR. PRESIDENT: The question is that a Bill entitled, The Traffic (Amendment) (No. 2) Bill, 1989, be given a third reading and do pass. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

MR. PRESIDENT: The Ayes have it.

AGREED. THE TRAFFIC (AMENDMENT) (NO.2) BILL, 1989, PASSED.

MR. PRESIDENT: Item 4, Other Business. Private Members' Motions. Private Member's Motion number 22/89. The Second Elected Member for the Lesser Islands.

**OTHER BUSINESS**

**PRIVATE MEMBERS' MOTIONS**

**PRIVATE MEMBER'S MOTION NO. 22/89**

**DISPOSAL OF GOVERNMENT ASSETS**

MR. GILBERT A. McLEAN: Thank you, Mr. President. I beg to move Private Member's Motion No. 22/89, entitled, Disposal of Government Assets.

"WHEREAS it is desirable that the public and all Elected Members of the Legislature should know and approve of the proposed sale of Government's land or the assets of corporations owned as to 50 per cent or more by the Government, which are held in trust for the people of the Cayman Islands;

BE IT NOW THEREFORE RESOLVED that there shall be no sale, mortgage, charge, exchange, lease or grant of any assets of a value of CI\$100,000 or more by the Cayman Islands' Government, without a prior resolution of the Legislative Assembly authorising the same;

AND BE IT NOW FURTHER RESOLVED that the necessary amending legislation be introduced at the first meeting of the Legislative Assembly in 1990."

**MR. W. McKEEVA BUSH:** I beg to second the Motion, Sir.

**MR. PRESIDENT:** Private Member's Motion No. 22/89 has been duly moved and seconded. Would the Mover now wish to speak to it?

**MR. GILBERT A. McLEAN:** Thank you, Mr. President.

This Motion is being moved as a result of times and events. It is not the first time such a Motion has been moved in this Honourable House when situations have caused Legislators concern, and it was felt that before the Executive of Government should sell Government assets it is right and proper to bring it to the Legislative Assembly for its approval and authorisation.

In speaking to this Motion I would like to refer to Government as a whole - how it functions and how certain procedures and processes are followed, what results when these are not followed and why it is desirable that the widest participation in the process of the Government's decision should be the way business is conducted in the Cayman Islands.

Mr. President, there are various kinds of Governments in the world. There are all sorts of "isms" - Marxism, Communism, Socialism, Capitalism. I am one person who is very grateful that we subscribe fully to the latter - that of Capitalism - in its widest sense and its freest enterprise. Speaking of "isms", there is another "ism", that is, skepticism - often where Government is concerned. There is often skepticism by the public on how Government conducts its business, whether it is done in the best manner and whether what Government does has the best end result.

Over the ages there have been thinkers and philosophers who have hypothesised and theorised about the best ways and means of conducting Government, or the business of the state. There have been many, many theories, many ways suggested. Some have included the idea that force is the way. Some have suggested persuasion, inducements in various forms. But central to it all has been the idea that the people, as a whole, have an integral part to play in the process, and the people's part is largely played out through the people who are elected by any given populous. In our type of Government, and in our country the Cayman Islands, I believe the general aim and desire of Legislators past and present is to serve the people to the best of their ability. I believe, too, that our records show this has largely happened. The position we have reached at this time did not happen by accident, it happened by the good sense of the people as a whole and by the persons who the people have elected to represent them.

We have an organisational form of Government which clearly defines the Executive, the Legislative and the Judicial. In this particular instance I am speaking of the Legislative function. We are a small country made up of three Islands; Grand Cayman, Cayman Brac and Little Cayman. Each of these Islands has basically the same specific needs. The Islands are divided into six electoral districts and all of the seats combined amount to a total of 12. Our election process of free elections allow... and, indeed, it happened as recently as November of last year, that 12 people were elected by the people of the Cayman Islands to serve in the Legislature. Twelve people were elected equally.

Mr. President, that is a very vital consideration to the argument which I will put forward for the Legislature having the right to determine the question of sale of Government's assets over \$100,000 - the equality in the election process of all elected Members. The Elected Executive Council is not elected by the populous at large. That is a process which takes place inside this Honourable House, as it did on the 23rd of November, 1988, when from among the 12 equally Elected people, four persons were chosen and elected to an executive organisation which we call the Executive Council. Added to that are three Official Members appointed by His Excellency the Governor. That is a process which takes place from within the total membership of this Honourable House.

When this happens I suggest it is the express will of a majority at the time. That is how it happened the last time. It brings with it a certain duty and responsibility on the Members elected, and on the Members appointed, for that matter.

At the head of this particular Executive is the Governor who is the Chief Executive under our present Governmental status. When the selection to the Executive Council comes about they assume a larger and wider role than do the other eight Members in the Legislative Assembly, because they manage the day-to-day affairs of Government. It is the easiest, simplest and most practical way for Government business to be managed, but it never abrogates the authority of Parliament which is vested in the whole House. While day-to-day matters are dealt with by the Executive Council, there are certain matters which, because it is right, because it is legal, because it is proper, because it is traditional, because it is conventional, come back to the Legislative Assembly for the approval of all Members before action is taken.

The Legislative arm of Government very much complements, assists, directs and approves what the Executive Arm does in many instances of its function. Certainly, where matters of national concern come about, it becomes the business of the Legislative Assembly as a whole, to decide what should be done. That is democracy, and that is what our type of government dictates.

There are financial matters, there are laws and motions, which come to the Legislative Assembly. The determining factor that brings these matters to the Legislative Assembly is that these things touch on the lives of the people as a whole. There has to be a line drawn as to how far the Executive should proceed and where the Legislative Assembly, as a whole, comes in. Certain matters, such as the sale of assets of the country, definitely have an effect on the people of the Islands, because when these assets are sold, Government is disposing of something which the people have. All of the peoples' representatives have a right to participate in that decision-making process.

It is good for more than one reason. When matters are brought before the Legislature as a whole (in this case I am speaking generally and specifically of the sale of assets) every individual Member has the right to state their position on it, to put forward their viewpoints and to give their arguments for or against, well knowing that at the end of the debate a majority will decide what is to be done. Rule by the majority, in our form of Government, is good democracy.

From disagreements come consensus - rule by the majority - and that is good; it has no negative effect whatsoever. It is the way the populous, through their representatives, have an opportunity of participating in the process of Government. The Executive of Government should never stray nor assume that when they are given the opportunity to serve, that they serve in a capacity where they cannot be questioned; where they have (what has been termed by a former President of the United States) "executive privilege" which cannot be challenged, and what they do is well done. Where that type of situation takes place, the preservation of democracy gets into some trouble because therein is a situation of a minority acting, whereas the majority is not having the opportunity to participate. Democracy is rule by the majority.

Another reason is that when assets of Government are being disposed of (or the Executive thinks they should dispose of the assets of the people) for it to come to the Legislative Assembly gives time that would not necessarily be if the Executive sat down in the Boardroom and decided to sell an asset. It gives time for the public to write letters to the press or to make appearances or representation to their representatives to make their feelings known on the matter. So the people as a whole are more involved and the representatives of the people are better informed. When the process of time comes into play there is more time for consideration for changes, amendments, as the case may be, and that is highly desirable in a country with true democracy. The Government Executive functions as a management team for the day-to-day workings but the line has to be drawn where the actions of the Executive have far reaching effects on the people.

I would liken the Executive of Government to the Board of Directors of a company. They may go ahead with the day-to-day affairs of the country, but when it comes to a situation where assets of the company are going to be sold, or where the company is going to incur large scale expenses, as the case may be, the shareholders have the right to participate. The shareholders in this case are likened to the other Elected Members of this Legislative Assembly. The more power presumed to be held by the Executive, the more the authority of the people is challenged and, for that matter, threatened. The Executive is comprised of people who are expected to act but it is required they follow a certain process.

In recent times this House and the people of this country have become aware of some very controversial public times. It is not a question of anyone saying that we have the wrong type of Government, not a question that lawlessness should prevail in our country, not a question that the Government of the day should be destroyed, but a question that the Executive of the Government took upon themselves certain actions which could have been properly dealt with by a majority of Members in the Legislative Assembly.

I refer to the question of the sale of the interest of Cayman Airways Limited in the two 727 jets which were owned by the company. Mr. President, that particular issue, the matter of Cayman Airways our National Flag Carrier, has always been one of the most emotional issues that I can think about. It is something which affects all of our lives. It is an asset we have that is a tool which has assisted our development to date in the area of tourism, and it continues to do so. I, for one, believe that we could never have arrived where we are, had it not been for that tool which Mr. Jim Bodden (may his soul rest in peace) particularly fought so tenaciously to hold on to against exceeding odds. I think in truth to this memory he has been proven to be right.

I have had my disagreements and my criticisms of our airline over the years, and I believe they were justified and I still have them, but the entity itself is something which touches the life of every single person in this country. I do not believe there is any middle ground at all - either someone is for it or against it, there is hardly any middle ground. I think (generally speaking) that everyone in this country is happy that we have an airline. It has served us in times of need, it has brought beneficial results to us.

Some weeks ago there was a decision by the Government Executive of the day to come to all of the Elected Members of the Legislative Assembly to seek certain guarantees for finance. I would point out that whenever the Executive needs money or finances it comes to all of the people in the Legislative Assembly to get it. It would stand for logic and reason when something is purchased with it and it becomes an asset of the people that, in turn, if the Executive feels it should and it must dispose of it, there is a basic courtesy - to say nothing of a right! - where they should come back to the same people for their consideration, debate and approval.

In the instance of this particular sale of a Government asset, the people first knew about it in a Finance Committee. Certain approvals were given at that time by a majority in that Committee and there is no doubt in my mind (and I believe in the mind of a majority of the people) that a specific



course of action was approved by that majority. The majority who did not sit (and do not sit) in the Executive, expected the Executive to do certain specific things. In that case, it was an option where the two 727 jets, an asset of the company, would be sub-leased and the other action would be for two 737s to be leased. Approval was given for that. To the best of my knowledge everyone expected that to be carried out. In the space of time between the approval being given and the approved action being carried out, representatives of the people had received certain information that did not appear to be as those representatives were made to understand. The most sensible thing to be done in such instances is to ask for clarification and to ask the Executive to hold in abeyance what it had started to do until such explanations could be given. This was done by a majority of the Elected Representatives of the people. It was not unreasonable, it took no one's personal attributes or feelings or thinking, or whatever, into consideration. The request was right and it was straightforward, based on the Legislative Assembly having the need to know on behalf of the people when it became aware of certain financial implications, that the action may not have been the best thing to do for safety reasons and otherwise.

All that was requested in this case (which I am standing here saying should be done in the case of the Legislative Assembly) was to ask for further information so that all the Members could determine whether there is, or was, need to proceed and to be satisfied concerning the information which was received. It is my contention that the Executive of Government was not minded to do that simple act. All that happened thereafter was a result of its refusal. Questions where the peoples' assets are concerned should not be decided by a minority. It is best, it is conventional, it is proper, it is democratic that it should be done by a majority of the people who were elected by the people.

There have been many statements made in this Honourable House during this week where Members touted their unending personal ability, their public lives exemplified good and bad; the fact that they are independently wealthy and have no need of the monies which they earn as a salary; the fact that only the other people in this Honourable Legislative Assembly have what they term, skeletons in a closet. Mr. President, that is irrelevant to the process of Government...

**MR. PRESIDENT:** I entirely agree. I was going to ask you what was the relevance to the Motion.

**MR. GILBERT A. McLEAN:** Yes, Sir, I am leading to that. Thank you. That is irrelevant to the Government process - its process which is essential to this House. Not the personalities, the wealth or what any Member on the Executive Council thinks about themselves. The question is the democratic process in the House.

**MR. PRESIDENT:** I do not like interrupting Members when they are speaking, but I think you have made your point on this and I am very concerned that we do not find the House getting into the sort of debate which occurred earlier in this Meeting.

**MR. GILBERT A. McLEAN:** Thank you, Mr. President. I totally agree with your statement, Sir. I am trying my best to make the point that like a computer has to have a programme, there is a programme written for Government; a process which is followed by parliamentary democracy which entails the workings of the Executive and that of the Legislative. I do believe that we are absolutely better off and, certainly, hurt when personalities become the question and process of Government.

The particular instance of the sale of one of the country's biggest assets, the jets of Cayman Airways Limited, is history. It has happened. It is done. The majority of the Legislative Assembly did not really have the opportunity of being involved in that process as it might have been, and, in my opinion, should have been. That act brought in some cash which we hear is being deployed in various ways. Each time it seems to be a little bit different; a little bit more for this or a little bit more for that. It also brought about a liability to this country which is a liability on every single citizens of the Cayman Islands. We are told it will bring about a liability over a period of 15 years for leasing two jets alone, \$111,600,000. I do not believe any reasonable local person in their true heart of hearts if it was their own company, would have believed their manager should have gone and incurred such an expense without the shareholders' approval. I believe that throughout this country there is a concern based on that particular situation. There was every right and reason, before the sale of that particular asset, that it should have had the approval of this Legislative Assembly as a whole.

It is a cost which has been placed on the Cayman Islands and its people. It is clear there is only one source that Cayman Airways has when it comes to finances for it, when it comes for guarantees for it, and that is the Cayman Islands Government. The Cayman Islands Government is its people. Its representatives and its Executive of Government are only its managers and its speakers...

**MR. PRESIDENT:** Would you like to finish before we take the break?

**MR. GILBERT A. McLEAN:** No, Sir. We can stop at this point if you wish.

**MR. PRESIDENT:** Proceedings are suspended for 15 minutes.

**AT 11:27 A.M. THE HOUSE SUSPENDED**

**HOUSE RESUMED AT 11:50 A.M.**

**MR. PRESIDENT:** Proceedings are resumed. The Second Elected Member for the

Lesser Islands continuing.

**MR. GILBERT A. McLEAN:**

Thank you, Mr. President.

When we took the break I was speaking on the matter of the Executive of Government acting on its own without the relevant reference to the majority of the Legislature and in the particular instance of the sale of the jets owned by Cayman Airways.

It is my understanding that in a private company the trustees may be authorised to sell assets. But Cayman Airways Limited is not a private company. It is a Government owned company and the shares are held for the people of the Cayman Islands. It is immaterial which Members of Government hold them, the fact is they are held for the people of the Cayman Islands. I contend that without their authorisation there is no right to sell. That authorisation would have properly come through the majority of representatives of the people. As it happened, I contend that a minority approved it and acted.

There are certain things which result when the business of Government is not conducted in a programmed way. When there is an action which takes one segment doing a particular thing of a considerable magnitude and leaving aside the others who have a right to participate. It must be expected that if the majority are doing their duty for the people and living by the principle that they represent the people and they are to speak on behalf of the people, that they do have opinions in what happens in the day-to-day process of Government. It is quite clear that the Government Executive should consult with the majority of Members.

What happens when this does not occur, is that it causes breaches of good faith. Cooperation breaks down, resentments develop and then that all-consuming cancer of personalities enter into the process of Government with individuals promoting themselves rather than attending to the business of Government. Resentments, accusations are all unnecessary if correct process is followed - the due process of parliament, due process of democracy, as we know it, believe in it, and as we try to administer it.

In the instance of the question of Cayman Airways, Legislators clearly stated their position. The public has made theirs known as well. I suggest that there is a clear message that what happened there was not right in the way it happened, irrespective of any arguments which may be advanced about the shortness of time, about the financial well-being that the country is in or the company is in, or whatever the case may be. Due process should have been carried out. That due process should have been the full participation of all Members of this Legislature.

Although there may be those Members on the Government Executive who feel they have the ability to determine whatever might be necessary in this particular case, there are those who do not agree, and rightly so. It is well known that in a think-tank the idea is to get as many ideas and opinions as possible, and out of that arrives some of the best decisions in the world. Major multi-national corporations have those in-house. I do not think any of us would be as high pressured, as wealthy as any of these or, perhaps, as qualified as any of these in the matters of business administration. But they find it useful. We should not do any less.

I do not like to go into this thing about when the Unity Team was here and then when the Dignity Team came and when the next team came and all the rest of it. That has no relevance to me because I prefer to look at a situation as it exists and the process has players in it.

I am not looking at the situation just now of the present Members on the Government Executive. I am looking down the line, when the Members who are there now will not be there; there will be other Members. I still project and believe now that there should clearly be in place a guideline with such limitations that say, "When you reach point "B" you come back to the Legislature that gave you the authority and elected you to carry out our duties in the first instance". It is not yesteryear today. I also would look at tomorrow and the implications of it in terms of true democratic process.

Before me there was an instance where there were certain conditions which caused a similar motion to be brought to this Honourable House. It was on the 15th of November, 1979. At that time it was brought by the Lady Member, the Late Miss Annie Huldah Bodden. It came about when there was certain land which the Executive of Government decided they were going to sell for all the good reasons they thought they should sell it. But there was one Member in this Legislative Assembly, the one Lady, who said, "Gentlemen, let us reason with each other. Let us set a limitation which says, simply come back to us before you sell these assets. Let us discuss it and let us agree by a majority vote that it be sold or not sold." If I may just quote from the *Hansard*, Mr. President, what was recorded that the Lady Member said. She said:

"Of course, I know I shall lose the battle, but I am saying that to avoid such occurrences in the future we, as Legislators, should at least know what is being sold. I feel every sensible Legislator in this House, although they may not like Annie Huldah Bodden (I am sure about that), the majority will agree this is a wise move."

Mr. President, that was 1979.

There was another situation in this country which causes Legislators serious concern that such can be done irrespective of what the feelings of the majority of Legislators, that within the authority or the powers vested in the Executive assets can be sold without reference to the Legislative Assembly. The Lady Member made another observation. She said:

"I feel, Sir, that when we leave a free hand to the Executive Council, these Honourable gentlemen will not be here forever. I am sure about that because natural causes will take us all away at some time and we never know who will be

running this Government."

Words then, that are true now.

One of my main concerns is... and I know this to be so because in my professional career I have had the opportunity to study Governments and functions of Governments and so on. I have also had occasion to study political changes in the Caribbean Commonwealth. History records many instances where simply because a particular Government or party has a majority in the Legislature, they have the Executive or the Senate and so on, they do as they please with little regard to opposing forces, and so that trend develops a momentum and down the way it always leads to disaster.

I am not advocating in any way whatsoever that there be any move to say to the Executive Council every time a memorandum comes dealing with the simplest matter that, "you trot on over to the Legislative Assembly and get the approval of Members." I would not be facetious or ridiculous or foolish enough to suggest that. But there are instances in our country where the sale of assets brings serious concern.

There were other opinions on this particular matter, and I think it is very relevant to have a comparison of what Legislators of the past who are not here now (some have passed on into the great unknown) had to say. There is also words here by Captain Keith Tibbetts, who was a Member at that time, which I think bear relevance. I share the view. He says:

"As far as I am concerned, my mission in the Legislative Assembly is not to fight for myself personally, but to fight for those who are less fortunate and for my children and my grandchildren, that are coming behind. We must look at these things in the light of where, in a few years' time, it may be people elected to this Honourable House who do not use their discretion, who do not think of what could happen."

I think that is very relevant and I share those views most fully.

I am not saying this is something strange, or what is happening now did not happen in the times of the Unity team Government (which the present Government likes to blame all its ills on), or what they did then they are not doing now and so on. The words of one of the people elected from that particular team, or party, states clearly the conditions which were happening between the Government Executive then and the Backbenchers. He was a Backbencher and a keen supporter, Mr. George Smith, and he said:

"However, Sir, I feel a bit left out on occasions, when many decisions were made and we as Members of the Legislative Assembly were not informed of these decisions prior to the press and the public in general having the information."

Mr. President, it is like history repeating itself. The sale of the Cayman Airways' jets came to the Members of the Legislative Assembly, at least the majority, when the report was read in the *Caymanian Compass*.

Enough for past history. I believe the point has been made that it is nothing new. History keeps repeating itself. I argue that in this case history should be helped not to repeat itself. The more the Government Executive may argue that what is being suggested by this Motion is to curtail them and not have trust in them, and all of the other ideas which are going to be advanced, the more they will prove the point that it is necessary at this time to prescribe clear limitations that we all can be guided by. It is for that reason that in this Motion I have asked for in the resolve section, that the Government Executive stay within the sale of assets up to the amount of CI\$100,000. One hundred thousand dollars is one hundred thousand dollars and that is a lot of money. So it is not the fact that this Motion is suggesting, "thou shalt not sell", or "thou shalt do anything", it is simply requesting a certain limitation that over and above that the Executive comes back to the Legislature. In so doing, Government's land up to a maximum of \$100,000 may, in effect, be disposed of. One hundred thousand dollars, I repeat again, is a lot of money and can, particularly when selling acreage, mean a large parcel of land, that within those confines the Executive Council would operate on its own, free to make the decisions. But where it goes over and beyond that, the Legislature be involved.

It is well known that under the Governor (Vesting of Lands) Law (Revised), the Governor and Executive Council may dispose of any amount of land to any extent. The Motion is simply asking that Parliament, as a whole, be involved in the process. In its widest consideration it might be possible to dispose of some of the corporations that have been set up by Government the way things are, it is conceivable, certainly. With the views expressed by certain bodies and interest groups, which, if it were left to some of them, there would not even be a Government. So it is possible that in the future a Government Executive could be so minded to dispose of corporations and so on which are vital; the Port Authority, Civil Aviation Authority. It might be felt they should operate as private enterprise. Simply dispose of them for whatever amount when the majority of Members of the Legislature may feel most strongly that such a situation would be unwise.

The Motion also asks that a time-frame be set, and that is the first Meeting of the Legislature in 1990, which is normally around February or March. So, again, it is not a question that someone from this side is aiming a gun at the Government Executive saying, "Thou shalt go, in one week's time, and do and come back to us", it is setting the next six months for Government to respond to this particular resolution and request. There is no doubt in my mind, whatsoever, that what is being requested in this Motion is logical, reasonable, it is democratic and very necessary. I recommend this Motion to the Members of this House and trust they will see fit to support it.

Thank you, Sir.

**MR. PRESIDENT:** Does any other Member wish to speak? [pause] I was just about going to say I believe the Chair will have to set some sort of time for this, so the matter is on even terms for all Members, but... the Honourable Member for Communications and Works.

**HON. LINFORD A. PIERSON:**

Thank you, Mr. President.

I rise to speak to Private Member's Motion No. 22/89 on behalf of the Government Bench. Before doing so, I wish to congratulate the Mover and Seconder of the Motion for what appears to be very good intentions. However, as suspected, the gist of the Motion seems to have been an excellent opportunity, again, to debate Cayman Airways.

This Motion is basically asking this Honourable House to agree that there shall be no sale, mortgage, charge, exchange, lease or grant by Government of any assets of a value of CI\$100,000 or more, without a prior resolution of the Legislative Assembly. The second resolution asks that the necessary amending legislation to such a suggestion be introduced at the first meeting of the Legislative Assembly in 1990. This is a very broad based Motion which involves not only land purchases and sales, but also all other assets directly or indirectly controlled by Government and would seem to include also statutory bodies, such as the Port Authority, Civil Aviation Authority, the Water Authority, and, as has been seen, Cayman Airways.

In respect to Cayman Airways I wish to make a point abundantly clear: It is a private company incorporated with its specific objectives as contained in its Memorandum of Association and governed by its Articles of Association. However, because this company is 100 per cent owned by Government no consideration is sometimes given to the fact that the company is governed by a properly constituted Board of Directors and that the decision in relation to that company should be made at Board level. In the event the shareholders are not happy with the decisions or actions of its Board of Directors, those Directors may be removed. But, such an action should be taken by the shareholders and not by Members of this House. They are named shareholders that represent the Government.

In support of my position regarding Cayman Airways being a private company with a legal separate entity, I would wish to read from the Memorandum of Association of that company. The Objects of the Company sets out the authority under which they operate. As in most companies the articles or bylaws set out guidelines as to how that authority should be executed. Among the various object clauses of the Memorandum it is clearly stated:

"The company is empowered to invest the capital and other monies of the company in the purchase or upon the securities of shares, stocks, debentures stock, bonds, mortgages, notes, bankers acceptances, etcetera. This can be issued by any company corporation or undertaken of whatever nature and wheresoever constituted or issued or guaranteed by any Government."

Another of the objectives states:

"It has the power to acquire by purchase, lease, exchange or otherwise, and to deal in and develop land or buildings of any tenure and to turn the same to account in any manner which may seem expedient."

They are the powers of a company similar to Cayman Airways.

Also, another power given to Cayman Airways, as a legal and separate entity is: "to sell, lease, mortgage, grant licences, easements, and other rights over in any other manner deal with or dispose of the undertaking or property of assets, rights of the company, or any part thereof for such consideration as may be thought fit". Mr. President, I have taken time to read the power under which Cayman Airways operates, so it can be abundantly clear that any actions taken by that company recently were legally done under its Memorandum and Articles of Association.

There are a number of matters to be considered in addressing this Motion. I would like to deal first with the question of land sales and leases. Land sales and leases are dealt with in accordance with the land purchase or sales guidelines, approved by Executive Council in 1986. For the information of this House and the listening public, I wish to read these guidelines so there is no question as to the authority under which we act.

"The Cayman Islands Government Lands purchase or sale procedures guidelines.

1. The controlling Officer of Communications Works and Natural Resources is responsible and accountable for all land purchases schemes throughout the Islands.
2. All land transactions and negotiations shall be the direct responsibility of the controlling officer, Communications, Works and Natural Resources and that participation of other officers in these matters shall be subject to his consent and his direction.
- 3a. All departmental requests for land acquisitions shall be referred to the appropriate portfolio for clearance prior to instructions to controlling officers of Communications, Works and Natural Resources.

- 3b. The acquiring portfolio shall ensure that land being acquired at their instigation is suitable and appropriate for the purpose for which it is being required.
4. That in requesting evaluation from the Director of Lands and Survey, Government shall allow sufficient time and indicate as appropriate the purpose for which the land is acquired.
5. In rendering evaluation report the Director of Lands and Survey shall have regard to:
  1. Title
  2. Area and size
  3. Planning status
  4. Structure conditions
  5. Any other factors which appear to him to be material
6. If proposed terms of purchase are satisfactory to all concerned including the vendor and specific funds have been voted, the transaction may take place without further administrative formality.
7. In the event the vendor shall be unwilling to agree to sell upon the terms which on the advice of the Director of Lands and Survey are satisfactory, the Principal Secretary for Communications, Works and Natural Resources will allow the Director of Lands and Survey to
  - a) re-examine his valuation, commission an independent professional valuation;
  - b) or abandon purchase negotiations.
8. If following the steps in 7(a) and (b) above, purchase negotiations are still to proceed, the Member for Communications, Works and Natural Resources shall report to Executive Council and make recommendations in respect of compulsory land acquisition order. If the proposed purchase exceeds the figure to be prescribed, and specific provision has not been made in the Estimates, prior approval for purchase must be sought from Finance Committee, whether or not sufficient general funds are available in Estimates."

Mr. President, I have taken the time to read this just to show that we do, in fact, have guidelines - legal, administrative guidelines - under which we operate.

Section 9 of the Governor (Vesting Of Lands) Law, (Revised), states the authority of the Governor to sell land:

"It shall be lawful for the Governor in Council to sell, convey, grant or devise any of the land, tenements or hereditaments respectively vested in the Governor under this Law and to execute all such deeds and assurances as may be necessary fully and effectually so to do:

Provided that in cases where a sum of money is the consideration for the sale of any lands pursuant to the provisions of this section, no conveyance shall be executed until such sum shall have been paid into the office of the Financial Secretary and his receipt endorsed upon the agreement of such conveyance and his certificate thereof lodged in the office of the Governor."

That is another example of the legal structure under which we operate.

In relation to land sales and leases, basically what those guidelines have stated:

1. All land transactions and negotiations are the direct responsibility of the controlling officer for Communications, Works and Natural Resources.
2. The acquiring portfolio assures the land being acquired is suitable and appropriate for the purpose for which it is being acquired, and
3. The director of Lands and Survey prepares a valuation report and the portfolio makes a recommendation to Executive Council. If the terms are satisfactory to all concerned, then the transaction may take place without

further administrative formalities.

In each case it is dealt with on its own merit, involving various departments, including Lands and Survey, the Planning Department, and the Portfolio of Communications, Works and Natural Resources. This is all done before any recommendation is made to Executive Council.

There are various points I will highlight during this debate, but one of the main points which would not support this Motion is that if it was approved it would result in lengthy approval process during the Legislative Assembly in view of the fact that the Legislative Assembly officially meets only four times a year, unless a special meeting is called. Also, this was under the land sales and leases, on the question of the Financial Stores Regulation, 1986. I will not go into a lot of details on this as that is a matter more for the Honourable First Official Member, who is also the Financial Secretary, but I would state here that there are provisions in the Financial and Stores Regulations, relating to the sale, hire, loan or stores, plant and equipment and how they are disposed of.

It also states that sales are only made where formal Government contract or in accordance with the standing arrangements or otherwise with prior written authority of the Financial Secretary, which will be given only in exceptional circumstances. I believe by this point I have stated quite clearly that we are operating under sound legal and administrative guidelines and procedures.

In respect to dredging applications, the relevance here has to do with royalties. Again, these are subject to planning approval. Applications are advertised for two weeks followed by a 21 day period for comments. The Portfolio would liaise with the Natural Resources Lab and a dredging team with regards to royalties before making a recommendation to Executive Council. In reference to the controlling officer of the Portfolio for Communications, Works and Natural Resources, that individual is the Principle Secretary for the Portfolio.

On public authorities, we could also have an untenable situation. The Port Authority is controlled, its actions relative to this Motion, disposal, purchase of land, etcetera, is controlled by the Port Authority Law, 1976, and this can be found in Clause 3(2), the authority under which they operate. Similar authority is given to the Water Authority, in the Water Authority Law, 1982, in Clause 3(4) and in the Civil Aviation Authority Law, 1987, in Clause 3(1). These Authorities may buy, sell, hold and deal with land under the provisions of the individual Laws.

If this Motion extended to those Authorities (and I am not quite sure whether it is intended to, and I am hoping the Mover will clarify this in his winding up) these organisations will either have to be excluded or Laws amended.

The position in respect to unclaimed land, and this deals with the Administration (Vesting of Lands) Law, 1955, section 6 of the Law states: "...the Governor can sell, convey, grant, etcetera, lands, vested in the Governor...". Section 9 of that Law states the Governor in Council can sell, convey, grant lands vested in the Governor.

Mr. President, in addition to this, a Land Adjudication Board deals with land claims and these are decided on legal and other evidence. It is not necessary to have regard to the value of the land involved. If this Motion was approved, it will involve Lands and Survey Department in additional work in valuing all property, which is subject of land claims. It would delay the decision making process and would require amendments to our Laws.

There are also certain administrative and functional difficulties to be considered. They are as follows:

If this Motion was approved it would render the system of Government very cumbersome and inefficient for Government to operate under.

It would be extremely time consuming and create unreasonable delays in decision making and in taking action.

Also, as mentioned earlier, our Legislative Assembly meets only four times officially each year, unless a special meeting is called, which would also cause a number of problems.

Of importance is that there is no good or justifiable reason why the decision to dispose of certain Government assets should be brought to the Legislature. Can you imagine what damage could be caused to the efficiency of Government if all transactions involving a purchase or sale of Government assets in excess of CI\$100,000 had to be brought to the Legislative Assembly before an action could be taken? We would be taking a retrograde step.

There is also danger of the procedure recommended by the Motion before us being politically influenced rather than being considered on good, sound business principles, as is now being done. The saying goes; 'if it is working, why change it?' It is the opinion of Government that the present system is working quite well and that any change could render the system less efficient. If Government agreed to this Motion we would, in effect, be agreeing, as I mentioned earlier, to take a retrograde step by placing ourselves in a untenable position, especially where sensitive business matters are subjected to the strictest confidentiality and political decisions.

This is not to say - and I wish to make this clear - that Members of this House and the public should not be apprised of significant purchases or disposals of any Government assets. But, to have to bring every such transaction of a value of CI\$100,000 or more to the House for a decision

would place Executive Council in a position where we would not be able to efficiently function. The acceptance of such a Motion could be viewed as an abrogation of the responsibilities with which Executive Council Members have been charged.

Members of Executive Council are, firstly, Members of the Legislature and, secondly, appointed or elected to the Executive Council. We also, that is the Elected Members of Executive Council, have a responsibility to the people of this country. We have been exercising with good stewardship that responsibility.

It is of importance to reiterate that there are stipulated legal and administrative guidelines for the guidance of Executive Council Members and their Portfolio staff in dealing with the purchase or disposal of Government assets of whatever nature. So there should be no doubt regarding the standards applied in such cases.

As stated earlier, whilst this Motion directly involves my Portfolio in transactions relating to Government lands, it is very broad based and I have taken the time and opportunity to deal with other matters. However, before closing I would draw to the attention of the Members of this House the Constitutional provision made in this matter. Section 52 of our Constitution reads:

"Subject to the provisions of any law for the time being in force in the Islands, the Governor or any person duly authorised by him in writing under his hand may, in Her Majesty's name and on Her behalf, make and execute under the public seal grants and dispositions of any land or other immovable property within the Islands that may be lawfully granted or disposed of by Her Majesty."

The point is the act of Executive Council in respect to all matters raised in this Motion and in the presentation by the Mover are now being done in accordance with the legal framework of this Government.

In closing, may I again congratulate the Member who moved this Motion and the Seconder. But particularly the Member for his obvious hard work in researching this matter and for his sound presentation. But, as mentioned earlier, I have to advise that Government does not see the need for such a Motion and therefore cannot support it.

Thank you, Mr. President.

**MR. PRESIDENT:**

Proceedings are suspended until 2:15 P.M.

**AT 12:42 P.M. THE HOUSE SUSPENDED**

**HOUSE RESUMED AT 2:20 P.M.**

**MR. PRESIDENT:** Proceedings of the House are resumed on Private Member's Motion number 22/89. The Honourable Member for Communications and Works continuing. I am sorry... I beg your pardon. Yes, quite correct. We adjourned slightly early, I have noted it here.

Does any other Member wish to speak? [pause] If no other Member wishes to speak, I call upon the Mover then to exercise his right of reply. Sorry, but I have no option.

**MR. GILBERT A. McLEAN:**

Thank you, Mr. President.

I would have hoped that the Government would have seen fit to accept the Motion which has been moved concerning the disposal of Government assets.

In the reply of Government I take note of the fact that the Member presenting Government's position spoke of purchases and the Motion does not relate to the question of purchases by Government, for purchases are dealt with by Finance Committee and thus, by all Elected Members of the House. The Motion specifically speaks about the sale of Government's assets.

**HON. LINFORD A. PIERSON:** Mr. President, if the Member would yield I would like to comment on the statement he just made.

Mr. President, if the Member would yield I would like to

**MR. PRESIDENT:** Is this a point of correction? The real question is: Is the speaker prepared to give way?

Is this a point of correction? The real question is: Is the speaker

**HON. LINFORD A. PIERSON:**

It is a point of explanation.

**MR. GILBERT A. McLEAN:**

Yes, Mr. President.

**POINT OF CLARIFICATION**

**HON. LINFORD A. PIERSON:** Mr. President, the Mover of the Motion, said that in my presentation I only spoke of purchases by Government. This is not entirely correct, Sir. I read the guidelines which apply for land purchases or sale procedures.

**MR. GILBERT A. McLEAN:** Mr. President, I would draw the attention of the House to the fact that the Motion specifically dealt with the matter of disposal or sale of Government's assets.

Mr. President, I would draw the attention of the House to the fact that the Motion specifically dealt with the matter of disposal or sale of Government's assets. Quite naturally, it might be expected that there would be in

place certain machinery or regulations in Government dealing with sales or purchases, but the fundamental point of it all was that the Motion sought to establish the principle that the Executive of Government has a political accountability to the representatives of the people in the majority in this House.

Cayman Airways is a company which is owned by the people of the Cayman Islands. It is owned 100 per cent by Government and my idea in the Motion was that corporations, companies in Government, would have made in their Articles of Association the necessary provisions that they could not have been disposed of without having approval from the Legislature.

The matter of CI\$100,000, Mr. President, is simply a figure. I believe if Government found the principle reasonable and intact, there should have been no problem in accepting it. If it was felt \$100,000 was a low figure, then I personally would have had no problem in recommending that the amount be, say, \$250,000. But if that amount stated there was \$1 it would have established (as I believe it should) the principle that the Executive of Government is politically accountable to the people for what it does. If it is a private company, it makes no difference. Before the directors sell any assets that substantially change the position as shareholders know it, they must convene in extraordinary general meeting, if time is of the essence, or there must be a meeting before assets can be sold, as was not done in the case of Cayman Airways by coming back to the Legislative Assembly.

I do not agree that to have such a measure in place would create a lengthy process in the Legislative Assembly because how often does Government sell assets of large amounts? Not very often, Mr. President. But it would appear that when there are instances where it has been sold, it has caused controversy.

It is not a question of there not being enough authority or right of Executive Council to act in a way it thinks it should. It is a matter that in so doing the Legislative Assembly should be kept informed and its approval should be given. As I have previously said, if the Government needs an amount of money, be it \$1,000 or \$10,000, whatever amount, however small, over and above that which is budgeted, the Government comes back to Finance Committee for such monies. I believe it should be nonetheless in instances where assets are sold.

There was cited a certain section in this Constitution. I think legal history would show that in times gone by land was vested in the King, in the particular Governor, where a grant was made to someone or to persons who had no land. I think that is a carry over into the present times. What should be pointed out is that Government could hardly grant, or lease, or sell lands which it does not have. In the Cayman Islands' context most land is now, since the time of the Cadastral Survey, in the name of the various persons who are in possession of the various parcels; title is vested in the individuals. I do not see the reference to that section of the Constitution having that great of a significance in what is being asked for in the Motion. Neither do I see where the country will be anything but helped, if the various corporations had the necessary provisions made in their Articles of Association, so that assets would not be disposed of without reference to the Legislative Assembly.

I do not believe there would be any great and vast administrative problems. It would not be time-consuming and there would not be the delays, as has been stated, because if Government was selling a particular asset, just like certain administrative procedures are written down now, it would be written down; then if the necessary changes were made in the Laws which are affected and in the Articles of Association of the corporations, it could hardly be considered a retrograde step. It would, in my opinion, be a wise and timely one.

Ten years ago a similar Motion came to this Legislative Assembly because there were conditions which warranted it. I think at this time, 10 years later, it is 10 times more important. The question of accountability continues asking to be addressed. I can think of those sensitive matters which come about in terms of selling a piece of property or a piece of land which is owned by Government. There is an offer, there is an acceptance. It is set down clearly in the Law how properties are to be transferred, what commissions are to be attached to it, what stamp duty. Therefore, I do not perceive or accept this matter of sensitive matters which relate to the sale of property or assets owned by Government.

Certainly, unlike what the Member has said, that there are matters which would not lend itself to the scrutiny of the Legislative Assembly from the time it relates to Government, I submit, such a scrutiny is absolutely necessary.

In the question of political accountability, there arises the question of good stewardship. Whether the Executive manages or mismanages a situation when an asset of Government is sold. The fact is that this Motion has been brought about because of a political situation which has arisen to warrant such a motion. But the acceptance of such a Motion could put in place a process, a measurement, a guideline, which could be followed by any future Executives.

The time is now when the Cayman Islands need to arrive at a position where discretion is minimised and there are clearly written guidelines set down. There are in place all sorts of forces mingling and intermingling. There is the growing necessity in the complexities of the Caymanian society which warrant strictness in procedure and in process.

I consider, by bringing this Motion, that I have done all that is possible at this point in time for the good of the country and with the idea of assisting the smooth operation of Government in one respect. I believe that if Government does not accept this Motion it is not a question of a cumbersome procedure being rejected but, indeed, the rejection of political accountability by the Government of the day.

Mr. President, I thank you.

**MR. PRESIDENT:**

I shall put the question. Those in favour please say Aye...Those



against No.

**AYES AND NOES.**

**MR. PRESIDENT:** I would like a division, please, Clerk.

**CLERK:**

**DIVISION NO. 23/89**

**AYES: 7**

Hon. W. McKeeva Bush  
Mr. John D. Jefferson, Jr  
Mr. Truman M. Bodden  
Mr. Gilbert A. McLean  
Mr. Roy Bodden  
Mr. Franklin R. Smith  
Mr. John B. McLean

**NOES: 8**

Hon. Thomas C. Jefferson  
Hon. Richard W. Ground  
Hon. J. Lemuel Hurlston  
Hon. W. Norman Bodden  
Hon. Benson O. Ebanks  
Hon. D. Ezzard Miller  
Hon. Linford Pierson  
Capt. Mabry S. Kirkconnell

**MR. PRESIDENT:** The result of the division is seven Ayes, eight Noes. The Motion therefore fails.

**PRIVATE MEMBER'S MOTION NO. 22/89 NEGATIVED.**

**MR. PRESIDENT:** Before we go on, I would like to say a few words about the opportunity of speaking and the order of speaking because we have had one or two slight hiccoughs in the last day or two.

Like Members, I am anxious that everybody who wishes to speak should get to speak. The convention in the Westminster Parliament is that the Speaker seeks to enable the expression of the full range of viewpoints from the House as a whole. In Westminster the fact that you have a Government in opposition and other parties usually means the Speaker tries to call them in alternate order; a speaker for a motion, a speaker against it and so on. In this House we are much smaller and usually any Member who wants to speak on any matter gets to speak.

Obviously, Members are entitled to play what was described as a waiting game, parliamentary tactics. I have no complaint about that, but it does put the Chair in a very difficult position. I simply wanted to make it clear that all I can do, with the help of all Members, is try to make sure that everybody who does want to speak, gets to speak.

Private Member's Motion No. 23/89. The First Elected Member for West Bay.

**PRIVATE MEMBER'S MOTION NO. 23/89**

**CRUISE SHIP LANDING JETTY**

**MR. W. McKEEVA BUSH:** Mr. President, I beg to move Private Member's Motion No. 23/89, standing in my name, which reads as follows:

"WHEREAS the building of a Cruise Ship Landing Jetty has been promised by Government;

AND WHEREAS such a facility could enhance the business environment in the district of West Bay and could encourage the revitalisation of commerce;

BE IT NOW THEREFORE RESOLVED THAT Government consider urgently the building of the proposed jetty, with completion by March 1990."

**MR. JOHN D. JEFFERSON JR.:** Mr. President, I second the Motion.

**MR. PRESIDENT:** Private Member's Motion No. 23/89 has been duly moved and seconded.

Before I invite the Mover to speak I think that in the version of a Motion before Members the words "In West Bay" have been missed out of the first line. From what I recall of the Motion as put to me, it was specifically a reference to a cruise ship landing jetty in West Bay. That is clearly the sense of the Motion. Would the Mover wish to speak to it?

**MR. W. McKEEVA BUSH:** Mr. President, the issue of getting a landing jetty to be utilised by cruise ships and watersports businesses, for that facility for West Bay has been tossed around and promised for

so long, that I am becoming weary in trying to get those facilities for my constituency. This matter has been expected by the people, especially the business sector, since 1984 - although it was first carried in our Manifesto in 1980. What would such a facility mean to the West Bay district? Well, Sir, it would mean a whole new look for the district and it would, as the preamble to the resolution says, enhance the business environment by creating a new central business area in West Bay, like we had years back.

You see, in some instances, the great district of West Bay has regressed, meaning, that what was once a bustling, viable central business sector, with good waterfront space is now partly a dying area. There is often the spirit of entrepreneurship by citizens who are business-minded. However, the lack of interest in the area causes young business ventures to die quickly. There are still businesses in Central West Bay, struggling, waiting, hoping for the long promised cruise ship facility which could, once again, mean viable business.

From the early days, West Bay Central has always been established as good anchorage. Years ago a dock was built and cargo for the district was dispatched from that point. The district grew and was accepted as commercially viable. These are modern times now, Sir. There is much which can and should be done to assist the second largest district in this Island.

We are working on a plan for which a preliminary report is already in place. When I say we, I mean a few of us who care about the district. The purpose of this study is to appropriately determine and establish certain conditions, locations and physical factors, economic factors - advantages and disadvantages - of the proposed site in the West Bay district, the social consequences, the impact of this location on Grand Cayman in general, the required amenities and, of course, the analysis and master plan proposal.

The location of the proposed facility is what is known as West Bay Central. There are a few parcels of Government-owned property which could be utilised. They are located at the northern end of the famous Seven Mile Beach and within a few minutes walk of two of the Island's principal tourist attractions: the Cayman Islands Turtle Farm and the area known as Hell.

The physical characteristics of these coastal parcels are comprised of white sandy beaches with pockets of iron shore and in some areas good bathing. The environs are comprised of a variety of businesses, ranging from petrol filling stations, churches, residences and small shops and stores. In this environment the West Bay Road joins the Town Hall Road at a junction with Church Street, which runs in a northerly direction and the start of Boggy Sand Road, which runs south for approximately 150 feet. This turns at a 90 degree angle in a south-easterly direction.

This angle is located at parcels of property which is owned by Government. In that area many of West Bay's outstanding citizens received their education, as it was in that area that the old Government school was located. Years ago, in the early 1800s, there was the old Presbyterian Church, now the United Church. Also in that area was the market which was used for turtles.

Mr. President, I do not need to tell you or anybody in this House where West Bay is, but according to the latest census figures of 1979 (and we should soon be getting new ones, thank God) the population of the district stood at 23.7 per cent of the Island's total, which then stood at 16,677 people. Being the second largest in population the district at that time enjoyed very limited growth in comparison to George Town and the Seven Mile Beach area, which links the two.

This is despite the fact that West Bay has always had the potential for developmental possibilities. We must bear in mind that Seven Mile Beach is fast becoming overcrowded and West Bay holds, in the area of Barkers, great potential for tourist related development. I trust Government would consider all those factors when they decide to vote on this resolution. I doubt the resolution will be carried, but there are many factors to take into consideration why we should have this facility in West Bay and why there should be a real commitment to putting that facility there.

The George Town Port visitor landing facility is used for this Island. The growth of cruise ship visitors during the period of 1975 to 1988 has grown from 22,500 passengers to 315,600 passengers. The result being experienced in George Town is multiple traffic congestions, as well as visitor discomfort through lack of proper facilities. The result being experienced by Grand Cayman is that cruise ships wishing to have the Islands listed as a port of call, have had to cancel Grand Cayman from their itineraries.

In 1988 there were 315,600 cruise ship visitors to these Islands, and the Department of Tourism Visitors Expenditure Surveys have indicated that approximately \$16,466,000 was spent by these visitors whose length of stay is approximately nine hours during the day time since none of the ships calling here stay over night. That amount of money is split up in shopping - 75 per cent; leisure - 8.33 per cent; transport - 8.33 per cent and food - 8.34 per cent.

Why should the great district of West Bay not share in this? Why must it be put off until a study can say it is not needed? Although suggestions have been made for upgrading and relocating the facility in George Town, I contend there is a limit on facilities which can be provided in an already congested area. Therefore, room for expansion is very limited, largely, in fact, due to limited planning in a rapidly developing area.

Mr. President, there are advantages and disadvantages for the proposed site in the West Bay district. The main advantage of locating this facility in West Bay central is the lack of multi-story buildings and the very evident lacking of traffic congestion such as that now experienced in George Town.

Although some people might say that the North Sound is the ideal site for this facility, the environmental impact clearly rules this area out as an alternative. In areas of the Caribbean where overnight stops are made there is proof that very little, if any, additional expenditure by the visitor is realised.

Therefore, it falls that the provision of cruise ship berthing facilities may, in some cases, have been proven to be a non-repayment entity. Very few, if any, of the visitors to Grand Cayman seem to mind their transfer from ship to shore by local tenders. It seems, from some research, that landing facilities for the tenders seem to be ideally suited for Grand Cayman.

Considering Government's previous commitments, as well as those ensuing, there is little, if any, prospect that berthing facilities could be provided for cruise ships in the foreseeable future. There also seems to be an unwritten policy somewhere against such a facility being developed by the private sector since applications before the Central Planning Authority were met with great opposition and refusal in the past.

As stated previously, the principal tourist attractions are located in the West Bay area adding the advantage of the ending of the Seven Mile Beach as the proposed location is an enhancement to the proposal of which George Town, the Capital, cannot compete against. Also, there is an abundance of room for expansion in West Bay, which readily offers itself to development of facilities to meet future growth of the cruise ship industry and the larger commercial areas of West Bay central could be made into a reality. Another advantage of the location of this facility may be seen in view of the different watersports operators in the West Bay district, being able to berth overnight, as well as refuel from their nearby stations, rather than continuing their present experience of having to moor out along the coastal areas of the public beach, which sometimes come into conflict with bathers. These people have to swim to and from their boats each morning and evening as well as plead for fuel at a location elsewhere. The latter being owned by their competitors.

The social consequences of a cruise ship landing in West Bay may be many. I will point some out: The establishment of a West Bay Museum to deal with the district's turtle, cat boat building and seafaring traditions and heritage. Property value would increase. There are many social consequences and whether or not these social consequences are positive or negative will undoubtedly be dependent upon the attitudes of the district's populace. However, West Bay people are good people and have always been known to be compatible with visitors from overseas.

I believe the impact on Grand Cayman in locating a cruise ship landing facility in West Bay should be envisaged as being a very positive one. Positive from the visitor's viewpoint, as well as from those persons who live and work in an environment in George Town that already experiences clusters due, not only to cruise ship visits, but from all the other businesses, establishments and Government facilities in the Capital. No doubt, this landing facility will enable these Islands to welcome more visitors to its shores and therefore earn a larger slice of the cruise ship visitor's dollar, since we are still the favoured destination of packaged tours, due to the friendliness of its people, I believe the decision to provide the facility therefore, is a timely one.

There would be some amenities required to be provided. While the major proportion should be provided by the private sector, the public sector should provide some also. Restroom facilities, Tourist Board Advisory facilities, Customs and Immigration, a Straw Market is another possibility, owned by the public sector and operated by the private sector (since there are so many ladies in West Bay who do this straw work). The other possibility is crochet, there is quite a bit of that also done in West Bay and it could be sold at that market which I am talking about. There could also be duty free shopping facilities, restaurants and their related activities. As I said, local handicrafts displayed.

Considering the location of tourist accommodations on the Seven Mile Beach area, there is a possibility that these, too, may become patrons of those amenities I mentioned. As the person who drew these proposals up said, "I see the cruise ship landing facility in West Bay as West Bay's front door to the world." West Bay's front door to the world. I like that sound, Mr. President. [Members' Laughter] The location, thereof, and the physical factors are compatible with the implementation of such a facility in West Bay. We must note that the location is somewhat protected by the land mass of Northwest Point, which breaks the intensity of the sea during rough weather. We should take that into consideration.

Now, Mr. President, as I said, everything is in our favour and should be in the best interest of these Islands and should be done to enhance tourism development. There is nothing I can see to stop us. Now, what am I going to be told about this facility for the West Bay district which has always sought to make up Executive Council? What I will be told is that there is money in the estimates, \$25,000 to provide for consultant fees and that they are thinking about this and that they intend to do it, but Government is busy with other matters and therefore, this will have to wait.

I suggest that Government take that \$25,000 and give it to the people we got to do the preliminary plan. Then use the plan to implement the programme. There is no cause to carry on with any long study. This thing has been going on since 1980 and since 1984 we have had a Member in Executive Council and this thing cannot be put off any longer.

Mr. President, I would hope that Honourable Members on this side of the House are going to stand by the great district of West Bay and see this request is carried out today in this House. I would hope that this time frame is not going to be the excuse. Maybe I am giving the Member to reply some ammunition; this should not be the excuse, because the estimates were prepared from last year, they were tabled in this House in February and passed. Government had from February or from whenever the estimates were made up and granted, that old cliché now, that old hat, Hurricane Gilbert, that had something to do with the slow down, but I hope I am not going to be told that is the reason why we cannot get going with it because they have had from last year, until February of this year, until now, September, and we are giving them until March of next year.

We are not asking for a facility like the George Town dock to be built. We are not talking about that kind of expenditure. There would be no need for that. When we were in Barbados, I think it was last year, or 1986, the Member for Education and myself, we looked at several docks. No

great hassle. No need for any long study, for any United Nations Group to come here and tell us anything about that.

I am asking the Members of this House, since I vote with them to get amenities for their districts, that they vote down the Government bench, because they are going to say no. (Member's Laughter) Vote them down and help us get this thing a real commitment to West Bay which has been promised for so long. I will be waiting to hear the response of Members on this side. This side is eight, the other is seven.

Thank you, Mr. President.

**MR. PRESIDENT:**

Proceedings are suspended for 15 minutes.

**AT 3:16 P.M. THE HOUSE SUSPENDED**

**HOUSE RESUMED AT 3:38 P.M.**

**MR. PRESIDENT:**

Proceedings are resumed. Private Member's Motion number 23/89. Does any Member wish to speak? The Honourable Member for Communications and Works.

**HON. LINFORD A. PIERSON:**

Thank you, Mr. President.

I rise to speak to Private Member's Motion number 23/89. In so doing I would wish to congratulate the Mover of the Motion, the First Elected Member for West Bay, and the Seconder, the Third Elected Member for West Bay. However, I would state that Government has already made a tangible and positive step in addressing the subject of this Motion. There are a number of matters to be considered and I will attempt to point these out in my reply on behalf of Government on this Motion.

The Members bringing this Motion are aware that funds in the amount of CI\$25,000 were provided in the 1989 Estimates for the purpose of carrying out a feasibility study which will determine the appropriateness, or otherwise, of having such a facility located in the proposed area.

Among the matters to be considered in the feasibility study are the following points.

- Land acquisition costs
- Zoning and land use issues
- Infrastructure requirements
- Economic and social impacts
- Environmental impacts

The time required to consider these different matters could be quite considerable, thus making it impossible at this time, for Government to agree to the resolution which asks that Government consider this completion done by March, 1990. The resolution reads:

"BE IT NOW THEREFORE RESOLVED that Government consider urgently the building of the proposed jetty with completion by March, 1990."

Government could not reasonably agree to such a very short time frame.

On the question of land acquisition costs and consideration I wish to make the following comments. For the purposes of estimating the likely land acquisition costs for the proposed scheme, it is assumed that approximately one acre of land will be required to accommodate all the facilities associated with the cruise ship landing at the 4 Ways area of West Bay. The four parcels identified for possible purchase by Government, namely 148, 149, 150 and 151, are all developed either for commercial or residential purposes. It is estimated they have a value in the region of CI\$550,000. Consideration should therefore be given to the following;

- There is likely to be extreme reluctance on the part of both the residential and commercial proprietors to move from their existing location. Therefore, compulsory purchase proceedings are likely to be necessary which will result in a lengthy and costly acquisition process.
- The proposal will result in the loss of existing businesses with no provision by Government for alternative premises. In view of the fact that there is limited commercial zoning in this vicinity it may not be possible to reestablish these businesses, which may result in further cost to the Government in compensation.
- Another consideration is the planning issues involved in the possible creation of a cruise ship receiving area in the proposed area in West Bay.

There are four issues which should be given very serious consideration.

Having dealt with the question of land acquisition costs, I would now wish to deal with the planning issues involved. The issues are:

1. The zoning and land use issue
2. Infrastructure requirements
3. Economic and social issues
4. Environmental impact

What are the zoning and land use issues? We would have to look at the cost of the development potential under the planning regulations for the lots 5E, 163 and 164. Also the potential land uses must receive the approval of the majority of land owners within a 1,500 foot radius. Rezoning may also be necessary in that area. Land acquisition will probably be necessary. This will be more fully dealt with in the feasibility study now underway.

We will need to advertise the areas in accordance with the Law. The feasibility and impact studies will have to be carried out. These are the zoning and land use issues.

What are the infrastructure requirements? We would need to be looking at providing adequate road systems. Roads may have to be widened and improved. Traffic flow supervision could be a problem. Parking and transit areas would have to be provided. Supporting infrastructure of sewage and water could be a major concern and public facilities such as, restrooms, waiting areas, information booths, emergency and communications services would have to be provided. These are some of the infrastructure requirements which would have to be addressed.

Then we turn to the economic and social impacts. What are the economic and social impacts? We would have to look at the effect such a facility would have on the local residents and the population of that area.

We would have to look at the infrastructure costs. The structural and land rehabilitation would be an area that would have to be addressed. Above all, we would want to look at the commercial viability of such a facility and such a project.

Then we have to look in detail at the environmental impacts. What would the creation of a docking facility do to that particular area which is being proposed? The effect on the local environment, the long term effects of associated infrastructure and the effect on the watersports industry, etcetera. For example the marine life, the dive sites, and so on and so forth.

Having mentioned those four major areas for concern, I would now wish to expand on these in more detail.

The zoning and land use issue. The points to be considered in this area are the set-backs, for these lots are 75 feet from the low water mark, leaving in this particular area approximately 15 feet of developmental area to the roadside boundary. To be consistent with the existing Law, the proposed development on parcel 163, zoned low density residential, would have to receive written approval from a majority of at least 51 per cent of the land owners, within a 15 foot radius.

For parcel 164, zoned commercial, the applicant would have to notify the adjoining landowners who have the right to express disapproval. With respect to the potential for numerous commercial ventures to arise, it is advised that property in the immediate area be zoned commercial to allow for these potential uses. If not, each commercial proposal in the existing low density residential zone would have to face a large amount of bureaucracy and associated time delays.

Further, on the question of a zoning and land use issue, it would be necessary for the Government to purchase property in the area which would be suitable for the necessary public facilities associated with this proposal.

There are numerous dilapidated structures which would have to be removed or rehabilitated. The purchase of the existing gas station should, or would, have to be strongly considered, as this is not a use which is compatible with this proposal.

Further, in considering the land use issues, it is required to advertise the proposal twice consecutively in the *Caymanian Compass* with a 21 day waiting period for parcel 163 and take into account the views of the public. It being a public announcement, all opinions are valid regardless, if they are nearby residents. Also of importance is that it would be advised that an impact feasibility study be done, taking into account all issues of this proposal. Only after the necessary study has been carried out, should this proposal even receive serious consideration. No decision should be made prior to the consideration of all issues brought about in this study.

What are the infrastructure requirements? I would also wish to expand on this point. It would be extremely necessary to improve and widen existing roads in the immediate area to safely and efficiently handle the tremendous amount of traffic impact in that area. The Mover has, himself, alluded to the congestion which can be caused by 500 or 1,000 people congregating in one area at a time, so he is aware of this problem. It also should be noted that these roads are not included in the Master Ground Transportation Plan. Therefore, it would be imperative to reroute existing roads for a smoother traffic flow, as well as provide an officer to direct pedestrian traffic flow. Taxi parking areas would be necessary, as well as a smooth traffic pattern, which does not now exist.

It is necessary that public sewer and water lines be established in order to sufficiently, as well as safely, handle the demand for these services. Public facilities, such as restrooms, shaded waiting areas, information booths, emergency and communications services are absolutely necessary to adequately serve the public.

Mr. President, it is against this background that a Master Plan would have to be developed in order to adequately locate the facilities and to assure the provision of an extremely well organized laid out tourist landing.

To expand on the economic and social impact. We would have

to consider four major areas.

1. Changes from a residential to commercial centre.
2. Cost to supply the necessary amenities associated with a commercial centre.
3. Cost to revitalize and create a more aesthetic first impression, to embarking patrons.
4. The question of whether the possible sporadic nature of cruise ship arrivals would provide enough money to support long term business ventures in this area.

But more importantly, we should ask the question and we must get the answers to what the cruise line operators would wish to have. This is a very important question that must be answered.

While we may wish to have these landings placed in the various areas of the Islands, it depends, too, on where the cruise line operators would wish to have these landings placed. I will comment on that in further detail.

What are the environmental impacts? We would have to consider dredging, or some blasting, construction activities. These all contribute to environmental degradation. If we are going to do this properly we have got to consider all of these areas. The long term effects of the commercial activities and their associated by-products, such as sewage, trash and their effects on the local environment.

Another question which will have to be considered is, will the moorings of cruise ships and the construction of the associated receiving facilities destroy marine life or degrade the value of the area as prime dive and watersports use areas.

From a planning point of view, the major considerations would be, in summary, is the Plan consistent with the long range goals and objectives of the West Bay area? That is has a survey been conducted by anyone other than the feasibility study now being carried out, to determine this answer. I am sure the Mover of the Motion would want to comment on this, in his winding up.

Another question, can West Bay compete with George Town for its share of the market, even with the patrons placed strategically within the marketplace? Will the lure of George Town bring patrons to the area regardless of the added travel time and expense? A recent survey was carried out, and on a visit to a conference in Miami I was advised by my Director of Ports, Mr. Bush, that one of the major subjects discussed was the tourist preference. The point was strongly made that most of the tourists are now shying away from destinations where the tourist landing is outside the centre of town. Most tourists like to disembark right in the centre of town so they can move straight into the town without having to bother with the problem of having to pay taxi fares, etcetera. This came out strongly in the recent tourism conference held in Miami. I felt it was important to make that point.

Mr. President, having dealt with the major planning issues involved in the possible creation of the cruise ship receiving area in West Bay, I would now wish to turn my attention to the comments which I have received from the Natural Resources Laboratory on the proposal to establish such a landing jetty in West Bay.

The Natural Resources Lab has specific concerns as follows:

1. Information provided by the Director of the Port indicates the provision of permanent moorings for cruise ships is unacceptable for insurance reasons. This suggests that the only alternative is direct anchoring by the vessels.
2. The Marine Parks Regulations prohibits vessels, 60 feet and over, from anchoring in any Marine Park zone. This proposal would then involve amending these Regulations. The Natural Resources Lab strongly opposes such a move as this would set a precedence under which the Regulations can be manipulated to suit the purposes of private individuals.
3. Furthermore, there are also Regulations prohibiting the anchoring of any vessels in such a manner as to damage marine life. These Regulations apply to Cayman Territorial waters as a whole, and not just designated Marine Park Zones.
4. For these reasons, two sacrificial zones have been allocated as port anchorage areas. One in the George Town Harbour and one at Spotts. The one at Spotts being for use during North westers. In sacrificing these areas, the Cayman Islands has already lost a significant area of its Marine Parks, but this was considered necessary in order to accommodate the cruise ship anchoring problem. The allocation of any further anchorage areas in a Marine Park Zone would be a mistake.
5. Within the immediate vicinity of the area in question there are a number of popular dive sites, which are often referred to in the international diving magazines. These dive sites are of particular importance to the tourist

industry, as they are not only very well known, but they present the only site which can be dived on any day of the year, regardless of weather conditions.

The Natural Resources presentation goes on to say:

The loss of just one of these areas would severely threaten this important source of revenue as it would provide another example to the international diving fraternity of the declining quality of our one spectacular underwater scenery.

6. We can already identify the problems associated with cruise ships from the noticeable effects which they are having on the immediate environment in Hog Sty Bay and Eden Rock area. These effects include the total loss of coral cover, the general degradation of the environment from refuse and litter associated with the ships. The discharging of sewage from the ships and oil leakage from their tenders, as well as the obvious presence of sediments suspended during the anchoring process. The fall in water quality associated with the above factors is almost certainly associated with the recent outbreak of Black Ban Disease, along this coastline, which is now causing considerable concern both to the Natural Resources Lab and to the Dive Shop operators.

The concern continues. We have already identified this area as a sacrificial zone, to accommodate this particular aspect of the tourist industry. But we are strongly of the opinion that any further loss of reef area within territorial waters would be completely unacceptable both from the point of view of environmental protection, and that of the local dive shop operators and watersports enthusiasts.

Of course, the protection of our Natural Resources is one of our main stays within our developing tourism industry.

7. It is, as shown, that some amount of dredging will be necessary in order to provide a clear approach for any tenders coming into the wharf. Once again this would be an unacceptable scenario within a Marine Park area and would certainly have an adverse impact on local reefs and dive sites.

In summation, it is the professional opinion of the Natural Resources Department that the proposed siting of a cruise ship tender facility in this prescribed area suggested by the Motion is not only unacceptable, but could be catastrophic.

It is also felt that we should identify other areas which do not fall within the concerns of the Natural Resources Department, but which should be, and hopefully are, being addressed by other Government departments.

These include the need to provide facilities for a minimum of 1,000 tourists. Such facilities would include parking for taxi's, toilets, customs and immigration facilities, improvements of roads, sidewalks, traffic lights, etcetera...

#### POINT OF ORDER

**MR. W. McKEEVA BUSH:**  
earlier. Is the Member not repeating himself?

Mr. President, on a Point of Order. I think I heard that already

**MR. PRESIDENT:**  
repetition in making their points. As I said earlier I am about to send a letter to all Members about Standing Order 41(1). I do not think it would be fair to pick on any one Member yet. Please continue.

**HON. LINFORD A. PIERSON:**  
Thank you, Mr. President.  
Also, before I was unnecessarily interrupted, the problems associated with which ships should be allocated to the obviously more popular site of George Town and which would have to go to West Bay, it may be difficult, if not impossible to convince a cruise ship company that they have to off-load their passengers at a site where there is little or no interest to them, that does not require a taxi ride. I am somewhat disappointed if I am not able to give the Mover and Secunder of the Motion exactly the answer they would wish, but in dealing with this Motion I have taken pains to get as much professional input into my answer today as possible. In dealing with any of these matters it is a duty and responsibility of Executive Council to make sure all these matters are dealt with as deeply and as professionally as possible.

In closing, Mr. President, I would reiterate Government's position on this Motion. Provision of \$25,000 has already been made in this years' Estimates to carry out a proper feasibility study, which is now being done. It is also felt an impossible situation to place Government in to expect we could complete this, with the amount of work which has to be done in preparing the feasibility study, by March of next year.

Finally, I wish to again congratulate the Mover and Seconder of the Motion but, unfortunately, in view of the points raised earlier, we are unable to support this Motion.  
Thank you, Mr. President.

**MR. PRESIDENT:**

The Third Elected Member for West Bay.

**MR. JOHN D. JEFFERSON:**

Thank you, Mr. President.

Being the Seconder of the Motion, I naturally rise to support it. After listening to the Member replying on behalf of Government I am a bit confused because the Motion does not ask Government to consider West Bay as the alternative for the George Town landing. All we are saying in this particular Motion is that an alternate or another facility be placed in West Bay, which is capable of excepting some of the cruise ships that call here on a weekly basis. We do not want all of them. We would be happy and satisfied if we got one or two a week. If this facility has to be postponed until all of the suggestions and research and consultations the Member raised, it will never happen in this century.

I think a facility like this would be of tremendous benefit to the district of West Bay. I am quite sure the shop keepers in that area, the restaurants, the watersports operators, the charter fishing outfits, would welcome it wholeheartedly. As far as the residents in the surrounding area objecting to it, I do not see that either. In the old days when we were growing up, that was one of the primary landing areas and people looked forward to going down and meeting the passengers coming off the *Adams*, when the schooners called in there.

Excuses, excuses. It is my opinion that serious consideration has to be given by Government for alternate sites for cruise ship landings in order to eliminate the problem we have now with them landing in the middle of town; congestion, danger to the cruise ship passengers who are crossing the streets. I think West Bay should be one of the alternative sites, not the only one, an alternative site to be considered.

I remember when West Bay was a thriving business centre. We had a bank there. We had some very successful merchants who had stores in that area. But what has happened over the years? Through neglect the district is slowly but surely dying. What is happening is that rather than growing, we find a lot of our prominent members of the district moving to other districts because the areas of West Bay are slowly losing their attractiveness. It is caught in the stage where everything you need is basically located outside of the district. You want to go shopping, you cannot go to a local store in the district. Most people do not. They go to Foster's or Kirkconnell Brothers or somewhere else. I think that is unnecessary.

I could see if the Member had said that the March 1990 completion date was unrealistic, but Government should give us an undertaking that, at least, the project would be commenced by then. I would have no problem with that. I do not think the other Member for West Bay (who moved the Motion) would either. What we are saying is that we have been promised this facility in West Bay for something like five years, and every year it is the same thing; promises, promises. Let us get on with the job. The Member said there are roads which have to be widened. I do not think so.

As far as bathroom facilities, when you take into consideration how long the central landing here was neglected of proper facilities in that area, then I do not see this as being a problem in West Bay. I do not see why you would have to put up any elaborate facilities. The same thing happened in Spotts. Cruise ship passengers in those areas (and Spotts is now in use) who want to go to the bathroom have one of the portable ones.

The idea of facilities not being possible because of it being located in a Marine Park area. I do not think that is a very good excuse at all, because it appears that Government grants approvals in areas where they want to, regardless of whether or not it is a Marine Park area.

You cannot tell me that putting a jetty in West Bay is going to have the environmental impact that the Safehaven project in the North Sound has.

*[Some Hon. Members: Hear, hear! applause]*

Why did Government not object to that? I am from West Bay. That facility is also in West Bay and it concerns me tremendously and I am still not convinced that it is not going to have an impact on our environment in that area. It already has.

I just had the good fortune of taking a cruise of the Caribbean. Some of the facilities that these cruise ships have available to them now in Ports they visit, I would say they would have no objection whatsoever to landing a couple of them in West Bay, because we have a wooden jetty. That is all we are, basically, requesting. Places like Ocho Rios, even though the cruise ships can go in there overnight, it is a wooden facility, St. Martin is the same thing, Grenada, Barbados, I understand, and these are all popular cruise ship destinations. So we are not foreseeing any huge or massive facility.

From the safety aspect, the cruise ships cannot object or be concerned about coming into West Bay where anchoring purposes are concerned. The area we are talking about has probably some of the deepest water that you could find around the Island. It would be very easy for Government, or the Port, whoever is responsible, to arrange to have a proper mooring facility placed in West Bay so you do not damage the environment in that area by the cruise ships dropping their anchors.

It would also benefit our people who are involved in the transportation industry tremendously. I might add that a lot of them are from the district of West Bay. A lot of cruise ship passengers who go on tours and some of our most important tourist attractions are located in West Bay; the turtle farm and Hell. What would happen is by having a facility in West Bay where the cruise ships come in



and land their passengers, naturally the passengers would want to visit these facilities and they can do that. It would probably cost them \$2 to ride down there. But in addition to that they would probably want to come into town to do some shopping. The people involved in transportation would also benefit from that. It would revitalize commerce in our area. You would probably find a bank or two coming back and setting up a branch in that area. You would probably find more restaurants springing up in the area. This is good.

As Legislators, this is one of our responsibilities to provide things which are going to be for the benefit of our people. I think it is a shame that West Bay can boast of three Members of the Legislative Assembly. We do not have the clout to put this jetty in West Bay.

This is not the only gripe I have. I am also deeply involved and interested in sports. In particular, the sport of basketball and for years, the last eight to 10 years, we, or I, have been pushing for a facility in West Bay, where boys can have an alternative sport to soccer. Everyone who is interested in sports other than soccer, find the necessity to come out of the district in order to take advantage of the facilities. This is totally unnecessary. Excuses, excuses, excuses.

If we do not get it this time, and like I said, I am not sure I am going to get it in my term in office, if all these consultants and other studies have to take place before it is done. But, hopefully, if the Members of the Legislative Assembly are going to be behind us, it will. I think the request is very reasonable. We would be prepared to amend the time frame in the Motion if this was acceptable to Government.

The Cayman Islands are a very popular tourist destination, especially a cruise ship destination. I used to be involved in that industry. One of the primary questions I always used to ask was, "out of all of the destinations you have visited, which one do you prefer?" I would dare say that 95 per cent of those visitors questioned said the Cayman Islands.

Now, putting a jetty in West Bay is not going to make our destination any less desirable. We have always done things properly. We would take into consideration all of the factors which are necessary. We would put the facilities that are needed in that area, but at no huge commitment from Government.

I do not see where we would have to buy all of the adjoining land owners' property in order to make this possible. Five hundred thousand dollars, Mr. President! No. It would be a quaint landing. But you know what I found? That is exactly what our visitors want to see; something which is local, something that is Caymanian, something that is Island.

I think our request is very, very reasonable. I would be prepared, and I am quite sure the Mover would support me, in proposing an amendment, to say if Government gives us an undertaking that at least the commencement of the project is made by March 1990, then that would be acceptable to us. Or, if the Member needs until June of next year, fine. But give us a time frame.

The excuse was also put forward that Government has so many other things they are now responsible for, that they could not possibly get to this for some time. Mr. President, I think what we, as Legislators, have to do is to rearrange some of our priorities. The Members moving this have a vested interest, but I think it is warranted. It does not take any six months to one year to build this facility, as I perceive it. We could put a couple of good carpenters in that area who know how to work with wood, they would put it together in less than no time.

In keeping with my pledge to my people, I support this facility because it is for my district and my people in West Bay would benefit directly.

Thank you, Mr. President.

## ADJOURNMENT

**HON. THOMAS C. JEFFERSON:**  
House until 10:00 A.M. tomorrow morning.

Mr. President, I move the adjournment of this Honourable

**MR. PRESIDENT:**  
until 10 o'clock tomorrow morning. I shall put the question. Those in favour please say Aye...Those against No.

The question is that this Honourable House do now adjourn

**AYES.**

**MR. PRESIDENT:**  
Friday morning at 10 o'clock.

The Ayes have it. The House is accordingly adjourned until

**AT 4:30 P.M. THE HOUSE STOOD ADJOURNED UNTIL 10:00 A.M., FRIDAY, 15TH SEPTEMBER, 1989.**



**FRIDAY  
15TH SEPTEMBER, 1989  
10:25 A.M.**

**MR. PRESIDENT:** I will ask the Honourable Third Official Member to say prayers.

**PRAYERS**

**HON. J. LEMUEL HURLSTON:** 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, the Queen Mother, Philip Duke of Edinburgh, Charles Prince of Wales, Diana Princess 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 Members of Executive Council and Members of the Legislative Assembly that they may be enabled faithfully to perform the responsible duties of their high office.

All this we ask for Thy great Name's sake, Amen.

Our Father, who art in Heaven, Hallowed be Thy Name, Thy Kingdom come, Thy will be done, in earth as it is in Heaven. Give us this day our daily bread: And forgive us our trespasses, as we forgive them that trespass against us: And lead us not into temptation; but deliver us from evil: For Thine is the Kingdom, the power and the glory, for ever 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 His countenance upon us and give us peace now and always. Amen.

**MR. PRESIDENT:** Proceedings are resumed.  
I do apologise for keeping Members waiting. There was some urgent business to attend to. It might be yet another good reason why you should have a Speaker instead of a Governor as President.

Papers. The Honourable First Official Member.

**PRESENTATION OF PAPERS AND REPORTS**

**REPORT OF THE STANDING FINANCE COMMITTEE MEETING**  
(Meeting held on 6th of July, 1989)

**HON. THOMAS C. JEFFERSON:** Mr. President, I beg to lay on the Table of this Honourable House the Report of the Standing Finance Committee meeting of the 6th of July, 1989.

**MR. PRESIDENT:** So ordered.  
Papers... Oh, you were speaking to it? I beg your pardon.

**HON. THOMAS C. JEFFERSON:** Thank you, Mr. President.  
The meeting on the 6th of July approved a total supplementary expenditure of \$1,590,962. The details of that sum are as follows:

**HEAD 04 - 02-003 - CONTRIBUTIONS TC and OSA:**

Finance, \$60,000 to defray overlapping expenses for 1988 and 1989, dealing with our contribution to seconded officers and officers employed under OSAS.

**07-014 - FEES CONSULTANCY:** Another \$230,000 for the same Head for fees consultancy, to cover legal counselling and advice on legislation and other overseas matters, such as the Shipping Registry.

**007 - ROYAL VISIT:** Under the same Head \$4,000 for the Royal visit, to defray the additional expenses for video tapes of that visit.

**10-002 - EMERGENCY RELIEF:** Another \$10,000 to cover incidental expenses in preparation for the up coming Hurricane season.

**HEAD 06 - 07-035 - MAINTENANCE BOATS:** Customs: \$6,000 was approved for

the maintenance of the Customs Department launch.

**27-013 - OFFICE FURNITURE:** Forty-seven hundred dollars was approved for the purchase of office furniture for the new airport terminal at Cayman Brac.

**HEAD 08 - 03-16 - ELECTIONS:** A sum of \$1,423 was approved to settle bills relating to the 1988 elections.

**HEAD 10 - 27-006 - OFFICE EQUIPMENT:** Head 10, for office equipment and for replacement of a photocopier within the Registrar General's Department, \$4,348.

**HEAD 17 - 01-002 - OVERTIME:** Head 17, overtime for the Immigration Department, to pay overtime to existing staff for airport duty, \$181,000. This is mainly caused by the fact that there are quite a number of vacancies in that Department which we are having difficulty filling.

**HEAD 19 - 02-006 - LEAVE PASSAGES:** Head 19, Leave Passages, \$480.

**03-023 - HYGIENE/SANITARY SUPPLIES:** Head 19, which is Prisons, \$53,000 for the maintenance of septic tanks and for drilling new deep wells at Northward Prison.

**HEAD 18 - 08-019 - TRAINING - \$12,500:** Head 6 and 18, a sum of \$12,500 each, making a total of \$25,000 for the training of one Customs Officer and one Police Officer who will work with the two sniffer dogs to be purchased and trained for local drug surveillance. The cost is borne equally by the Police and the Customs Departments.

**HEAD 20 - 08-019 - TRAINING:** Head 20, training, a sum of \$145,000 to cover the training costs of students overseas.

**HEAD 23 - 40-002 - BOATS:** Head 23, \$8,030 for the replacement of a rescue launch in Cayman Brac which was destroyed by Hurricane Gilbert.

**HEAD 28 - 07-005 - ALLOWANCE ATTENDANCE:** Head 28, for allowance attendance, a sum of \$8,250 to make a contribution to Members of the Adoption Board and the Drug Advisory Council, who attend meetings.

**HEAD 28 - 07-014 - FEES CONSULTANCY:** Under Head 28, Fees consultancy, \$83,920 which was required to defray the cost of engaging the consultant to conduct an actuarial review of the proposed National Pension Plan and to determine the financial obligations of Government to Civil Servants under the present plan in Government. A further \$250,000 to defray the cost of implementing measures recommended by the Health Care consultants of International Health Care Corporation. Making a total supplementary sum, for fees consultancy of \$323,920.

**HEAD 30 - 40-018 - VEHICLES:** Head 30, Social Services, \$6,400 for the purchase of a van for Bonaventure Boys Home.

**41-019 - PUBLIC BUILDINGS:** Head 30, again, \$9,000. Funds necessary for structural changes to the offices of the Social Services Department.

**HEAD 31 - 41-020 - PURCHASE OF LANDS:** Head 31, really it is a capital item, 4120, purchase of land, \$438,111 for the purchase of parcel 170, block 95B, registration area Cayman Brac West and parcel 241, Block 14C, George Town central.

**HEAD 36 - 41-019 - PUBLIC BUILDINGS:** Fifteen thousand dollars was provided for Post Office, in order for it to extend or expand the Post Office Boxes at the West Bay and Savannah Post Offices.

**HEAD 37 - 01-005 - WAGES:** \$47,300 for wages and \$10,000 for the establishment of a day care facility in Cayman Brac and for the modification of an existing Government building for that purpose.

Other matters were considered by the Finance Committee on that day. It gave approval for the writing off of in-patient fees deemed uncollectible; a sum of \$144,478. It also dealt with the further expansion of the Northward Prison, that is for lands, of \$150,500. It varied a previous decision and sum from \$72,650 to \$69,650 dealing with assistance to farmers, and it granted a loan in the amount of \$5,000 in

respect of another farmer, Mr. Daniel Rankine, and also a loan of \$3,266 as assistance to farmer, Mr. Silas Bodden, of Cayman Brac.

The Finance Committee also dealt with the additional water desalination plant required by the Water Authority and it resolved to ratify the decision of Executive Council to support the Water Authority's resolution to enter into an agreement with Reliable Water Company for the providing of an additional water desalination plant. It also ratified the extension of a main water line supply distribution to Spotts. The cost of \$2.5 million is to be raised through loan financing with Barclay's on terms similar to those already negotiated.

Finance Committee also approved a resolution for an overdraft facility at Barclay's of CI\$4.5 million. This overdraft expires on an annual basis and it is a facility with Barclay's used only when necessary. Although Finance Committee approved it, I do not visualize that we will ever need it in 1989.

The variation of funds in the 1989 Budget, it agreed to vary the use of the funds for the Water Authority in the amount of \$300,000 which were provided under the Portfolio, under recurrent expenses and to allow expenditure under capital 4124 for dealing with the Reliable Water Company. It also approved funds under sub-head 11 of the Portfolio Administration of Health and Social Services for the payment of salary for a staff member of CASA, to be released to the organisation in block under sub-head 8033 as a support grant.

The Committees agrees that this be the report of the Standing Finance Committee.

**MR. PRESIDENT:** Papers continued. The Honourable First Official Member.

## **REPORT OF THE STANDING BUSINESS COMMITTEE**

**HON. THOMAS C. JEFFERSON:** Mr. President, I beg to lay on the Table of this Honourable House the report of the Standing Business Committee and might I, in doing so, indicate that I did miss the one error in the minutes of the report which places Mr. Roy Bodden as being absent. He did tender apologies to me.

**MR. PRESIDENT:** So ordered.  
We now move to Item 3 on the Order Paper. Other Business.  
Private Members' Motions. The debate continuing on Private Member's Motion number 23/89. The First Elected Member for West Bay.

## **OTHER BUSINESS**

### **PRIVATE MEMBERS' MOTIONS**

#### **PRIVATE MEMBER'S MOTION NO. 23/89**

#### **CRUISE SHIP LANDING JETTY**

(Debate continues thereon)

**MR. W. McKEEVA BUSH:** Mr. President, in accordance with the provision of Standing Order 25(2), I, the First Elected Member for West Bay, seek leave of the Presiding Officer to move in accordance with Standing Order 25(1) the following amendment to Private Member's Motion number 23/89, by deleting the resolve section as set out in the Motion, and by substituting the following resolve:

#### **AMENDMENT (NO. 1) TO PRIVATE MEMBER'S MOTION 23/89**

"BE IT RESOLVED THAT Government consider urgently the building of the proposed jetty by having the study completed by March 1990, and commencement of the building thereof to begin by September 1990."

**MR. JOHN D. JEFFERSON JR.:** Mr. President, I beg to second the Motion.

**MR. PRESIDENT:** The leave was given under Standing Orders. The amendment has been duly moved and seconded. The question is that Private Member's Motion number 23/89 be amended as in the notice circulated to Members. Would the Mover wish to speak to it?

**MR. W. McKEEVA BUSH:** Mr. President, at the outset of the Motion placed before the House some three weeks ago, it was my understanding that Government would not support it. That was confirmed by the Member replying for Government yesterday. It seemed their argument is that they are going to do the facility for West Bay if a certain study says it can be done, so they want a different time frame.

The first resolution was that Government consider urgently the building of the proposed jetty with completion by March 1990. The reply yesterday was that they could not live with this, and I think it is only fair that we say the study become completed by March 1990 and the commencement of the building thereof, to begin by September 1990. That is one year away and this should cause no problem to the House because the resolve section says that Government *consider* - and that is the way to get it under the Standing Orders, because it was the only way Government would accept a resolution of this sort, framed in that manner. I move the amendment accordingly, and I trust Government will now see fit to accept it.

**MR. PRESIDENT:** I realise that yesterday I said that I hoped speakers would come forward quite briskly, or words to that effect. But I think as this amendment has just been tabled we will just give it a little moment or two. [pause]

Does any Member wish to speak to the amendment? The Honourable Member for Education.

**HON. BENSON O. EBANKS:** Mr. President, I am happy to see that the Mover and Seconder have moved some distance towards meeting the problem in the original Motion, but it seems to me that this proposed amendment has one failing, that is, that it seems to prejudge the outcome of the feasibility and the environmental impact study which has to be done before it can be decided whether the jetty can, in fact, be built.

I believe we would be happy on this side if this could be further amended in a way to indicate that the commencement of the building would begin by this date, providing the study revealed it to be practicable and feasible, or if the study revealed that - words to that effect.

**MR. PRESIDENT:** The Mover, of course, will reply when he replies to the debate on the amendment to the various points which have been raised.

The Third Elected Member for George Town.

**MR. TRUMAN M. BODDEN:**

Mr. President, I support the amendment.

Without going into a lot of detail on this, I would like to just mention that from what I understand, this has been talked about for some five years, or there about. If it is going to be done I think we need to make a move to get on with it, giving Government a reasonable time to get its study. That seems to have been sorted out with this amendment.

There is a lot of congestion in George Town, as a result of the cruise ships coming in there...

**MR. PRESIDENT:** I think I must ask you to speak to the amendment specifically, at the moment.

**MR. TRUMAN M. BODDEN:**

I was going to deal with the timing, Sir, which I think would assist with the congestion. I will not go into the substantive Motion, Sir. I think if it is left too long it is only going to further inflame or increase the problems elsewhere. I believe to do a study by March 1990 is plenty of time. I appreciate the reasons for the study. To build it by September seems to be sufficient time to put down a simple jetty to take these small boats.

We are not really dealing with bringing in cruise ships, I am sure this is made clear, but bringing in the tenders from the cruise ship to the jetty. The simplicity of it could be looked at from the one at Spotts which was built in a matter of six weeks or something. I am not certain of that, but that is what I can remember.

I would just like to say this, if the Government puts its mind to doing it, then the time limits are clearly there. If the Government really wishes to do it, then they will find the ways and means of dealing with it within this time limit. On the other hand if it is back to the problem of open resolutions that we had in the past, which had no time limit on it, I do not think it will ever be built, unless some time limit is put on as it has been talked about for some five years. So I would support the time limit. I think it is more than ample on the amendment. I would ask Government to support it and let us see if we can constructively move on with the jetty.

Thank you.

**MR. PRESIDENT:**

The Honourable Member for Health.

**HON. D. EZZARD MILLER:**

Mr. President, I think as the Honourable Member for Education made clear, the greatest problem with this amendment is not as the Third Elected Member for George Town said, time, but the last part of the sentence says, "and commencement of the building thereof to begin by September 1990". To accept that, you are therefore accepting the study must be positive. It must say it is a good thing, it must say it is the needed thing. So you are predetermining the outcome of the study, and if you are going to accept that, then there is no sense of having a study done.

We all supported putting the money and the need for a study in February of this year, or the 6th of March when the Budget was done, six or eight months ago. If we are going to do a study, certainly we have to allow the professionals to use their professional judgment and be able to tell us yes or no. To accept this we are telling anybody who does the study that irrespective of what you find, the results of the study as far as Government is concerned, is going to be yes. I think that is why Government cannot accept it in this form.

**MR. PRESIDENT:**

As always, I intervene with reluctance. I think I should point out that under Standing Orders no Motion can be put which binds the Government to expenditure without the Governor's, I think the word is 'warrant', or words to that effect, being signified by the Members of the Government. When this Motion came in draft to me as President of the House, I did ask it be reworded so that it avoided commitment to expenditure. I think this makes clear that, in fact, the Motion cannot bind the Government to do it. It is saying to consider urgently the matter. [pause]

Does any other Member wish to speak? The Honourable Member for Communications and Works.

**HON. LINFORD A. PIERSON:**

Mr. President, I will just briefly speak on the amendment since I was the Member who replied on the substantive Motion before the House. Prior to this amendment being circulated I had discussed this matter with the Mover and suggested to him that if he could have been somewhat more flexible regarding the commencement date of the building, then it was possible we could consider this favourably.

As previous speakers have said, both the Member for Education and Health, to accept this amendment as it is in its present form, would be predetermining the results of an in-depth study that will have to be carried out and would be preempting the result of that study. Any decisions to commence must be based on sound ground and only after a proper feasibility study has been undertaken, and provided the study suggests that this is a proper area for a landing jetty to be built.

There are a number of factors to be considered in the feasibility study. Perhaps one of the most important factors is to get the agreement of the cruise line operators to determine whether this is one of the favoured areas for them to stop at. This is an area which will be addressed in the feasibility study. That is why to accept this amendment in its present form would be going off on a wrong tangent because we can only decide on the commencement date of the jetty when we have had all facts before us. It would be premature and preemptive for us to accept this amendment in its present form. Accordingly, I am unable to accept it in its present form.

**MR. PRESIDENT:**

The Third Elected Member for West Bay.

**MR. JOHN D. JEFFERSON, JR:**

Thank you, Mr. President.

I think the provisions of the amendment are reasonable. I think it does reflect that the Members of the Legislative Assembly from West Bay (the First and the Third Elected who moved the Motion and the amendment) are reasonable men.

I think if we approach the feasibility study from a positive stand point, basically what has to happen is Government should say to whoever is going to do the study, "We have identified this particular area where we would like to put a jetty in, which is capable of accommodating the cruise ship landings. Now you tell us what we have to do to protect the environment in this area." Rather than leaving it wide open where they will go in and say well, "No, this is okay, but let us put it over here." I think if we take that approach, first of all I do not think it will be approved, and I think what we will incur has happened in the past.

I have a great deal of respect for the Honourable Member who is responsible. I firmly believe he will do everything in his power to make sure it is done, but what we are concerned about is any undue delay in the future, as we have experienced in the past.

Thank you, Sir.

**MR. PRESIDENT:**

The First Elected Member for the Lesser Islands.

**CAPT. MABRY S. KIRKCONNELL:**

Thank you, Mr. President.

The amendment to Private Member's Motion number 23/89 is an amendment which I feel we need to consider. I would ask the Honourable Second Official Member if he would correct me if I am wrong after I have completed. But I read it to say; Be it resolved that Government urgently consider the building of the proposed jetty by having the study completed by March of 1990, and commencement of the building thereof to begin by September 1990.

It is my understanding that the ultimate decision rests with the Executive, in as much as no funds have been voted for this project, only \$25,000 for the feasibility. We are asking them that they consider urgently a project which I feel is very necessary, which will be beneficial not only to the district of West Bay, but to George Town and the country as a whole. I do not feel we are putting any undue pressure on the Government with this Motion as the money will have to be voted after the feasibility study has been completed. Therefore, I do not see the actual dates as mentioned in this Motion as having any real binding effect on our Government. So I would support this amendment.

**MR. PRESIDENT:**

I would like to make it clear that the documents passing back and forth have nothing to do with this amendment or the Motion. I did explain to you earlier there was another urgent matter going on.

If no other Member wishes to speak, would the Mover of the amendment wish to reply?

**MR. W. McKEEVA BUSH:**

Mr. President, I have quite a bit to say on the substantive Motion, but I just want to speak to a few things which were said on this amendment.

What Government is saying they want us to do is to change this amendment to say 'provided the studies say it can be done'. They are the words of the Elected Member for

Education. I was not born this size, and I was not elected for the first time in 1988. I was elected in 1984 and I worked with those people. This is the kind of resolution they like - where they have the chance to twist things around and say it cannot be done. I am not going to agree to that kind of resolution any more in this House. We have passed too many of them and they have sat flat on their feet and done nothing - very important issues in this country, like education, which is on a downside now.

I was going to explain to the House the very point the Presiding Officer made after the Member for Health and Social Services spoke, which the Government is very conveniently ignoring. This resolution asks the Government to *consider*, it is not binding upon the Government. This is the only way these kinds of resolutions can be put to this House.

The Member for Health messed it up and the Member for Communications and Works followed suit. They talk about a feasibility study. I will get to that feasibility study on the substantive Motion because I am going to have more room for debate on that, and I have quite a few things to remind this House of, which I know went on with this thing from day one when it started.

As far as the point about the cruise ships, when this matter was first raised certain cruise ship companies were contacted and the findings then, by some Members of Government (who were not Members of Government then, who helped me get in contact with some of them) was that they wanted other points in a given destination. Cruise ships want other points in a given destination. With the overcrowding and the difficulties that little George Town is facing, why in the world - if they were so keen on doing something for West Bay - are they juggling about the way they have been doing, trying to get Members on this side to support them on this resolution?

You know, I am really tired of how this Government Bench is operating in this country. They must understand they are in a minority unless they have the three Official Members. They are not deaf. The whole point is not finished.

Anyway, Mr. President, I think I have said enough on this amendment. I trust it will carry. I think it is fair. I cannot really do any more in being fair to the Government Bench. Thank you, Sir

**MR. PRESIDENT:**  
favour please say Aye...Those against No.

If there is no further debate I shall put the question. Those in

**AYES AND NOES.**

**MR. PRESIDENT:**

I would like a division, please, Clerk.

**CLERK:**

**DIVISION NO. 24/89**

**AYES: 7**

**NOES: 7**

Mr. W. McKeeva Bush  
Mr. John D. Jefferson, Jr  
Mr. Truman M. Bodden  
Capt. Mabry S. Kirkconnell  
Mr. Gilbert A. McLean  
Mr. Roy Bodden  
Mr. John B. McLean

Hon. Thomas C. Jefferson  
Hon. Richard Ground  
Hon. J. Lemuel Hurlston  
Hon. Norman Bodden  
Hon. Benson O. Ebanks  
Hon. D. Ezzard Miller  
Hon. Linford Pierson

**STANDING ORDER 42(2)**  
(Casting Vote)

**MR. PRESIDENT:** Thank you, I was just checking the convention with the Attorney General. It is as I thought - the Chair exercises a casting vote against the amendment. So the amendment is not carried and the Motion stands in its original form.

**AMENDMENT (NO. 1) TO PRIVATE MEMBER'S MOTION NO.23/89 NEGATIVED.**

**MR. PRESIDENT:** We now revert to the debate on the Motion. Would any Member wish to speak? The honourable Member for Tourism.

**PRIVATE MEMBER'S MOTION NO. 23/89**

(Debate on Motion Continues)

**HON. W. NORMAN BODDEN:** Mr. President, I rise to speak to Private Member's Motion number 23/89 regarding the building of a cruise ship landing jetty in West Bay. I think this Motion has received quite a bit of attention by Members. Quite a debate has been prompted by it, so I will be very brief.

At the outset, I would like to say that I am not against any form



of tourism development for West Bay. I think since the *Caymanian Compass* has made two angels out of the First Elected Member for West Bay and the First Elected Member for George Town, we must endeavour to maintain that image even if it requires quite a bit of polish.

Admittedly, there is some congestion on some days in George Town, which I would certainly like to see reduced. One way of doing this would be for our country to direct cruise ships to other suitable areas of our Islands. This, I believe, is desirable. But I have to agree with the Honourable Member for Communications and Works who replied originally on the substantive Motion on Government's behalf, that a study must come first and the decision to build such a facility must be based on the results of that study. In all sincerity, I do not find this requirement to be unreasonable. I know many jokes have been made about this Government requiring studies from the United Nations and from all over the place. I do feel that good planning produces good results, regardless of what anybody's views may be as to how extensive the study should be.

We have heard about laymen, a lot of words passed in this House about laymen. I think you have people who are experts in their particular field and I believe the country, in making any decision, should get the proper study in place before making a decision. I do not find that to be unreasonable. I think all Members agree the study should be done and, accordingly, funds were provided in the Estimates. The Member has said a study is being carried out and will be tabled in this House shortly.

In all this discussion on where a cruise ship jetty should go, it must be borne in mind that cruise ship operators have the last say. They have the last word on where their ships will go and what areas and Islands and destinations their ships will use as a port of call. I do not think this should escape us. It is also true what the Member for Communications and Works has said, that recent surveys reveal there is a preference for cruise ship passengers to use a port where duty free stores are within walking distance. This is not something which has been invented by Government. These are facts and must all form part of any study.

We must also have the necessary infrastructure in place in order to attract visitors to that particular area. It is true that we are faced with the chicken and the egg situation. I believe, in all honesty, if the study reveals that is the proper place for a cruise ship landing to be built, I am sure it will be built.

I would be encouraged by that because I believe as the Mover originally said it will cause the proper infrastructure to be put into place, where you will have attractive duty free stores and other facilities built up in that area. It will give a boost to West Bay. I have no doubts about that. I think it is most desirable that we have it, but I feel that we must be certain as to what we are doing before we take that step.

Mention was made about Spotts. Spotts is used as a weather alternate two or three times a year. The facilities there are very limited. But, Government has taken a decision to acquire land and to improve the facilities there. It is going to cost a substantial amount of money to use that place just two or three times a year.

I am sure the Members from Cayman Brac would like to see a cruise ship landing facility on their Island. I would like to see that too, Sir. We have even tried to get small cruise ships to stop at Little Cayman. One did some time ago. The Norwegian Caribbean Lines did investigate our request and they sent some of their marketing and sales people to Cayman Brac and they came back and reported that while it is an attractive Island, it is a beautiful Island from their point of view, it did not at that time (which was a few years ago) have the facilities which would prove attractive to them. So these things must go hand in hand.

I am not speaking to the amendment to the Motion. I am speaking to the substantive Motion, but I have to say before taking my seat that if the Motion was stated in such a way which was reasonable, I feel that it could be acceptable to Government. But, this hue and cry that unless definite dates are put in Government does nothing about it is not the case. I think these Backbenchers sometimes need to look at the positive accomplishments which have been attained by Government in the eight or nine months. There have been positive actions taken and many improvements have been made.

I am getting a bit fed up too with listening to credibility of this Government always being placed in doubt and questioned. I feel if rationale is applied, both sides can accept it and work together. If this was a reasonable Motion, without the time limits put in there, and was subject to what the study revealed, I could support it. Otherwise, I cannot support the Motion as it stands.

Thank you.

**MR. PRESIDENT:**

The Honourable Member for Education.

**HON. BENSON O. EBANKS:**

Mr. President, I am happy to hear the Third Elected Member for West Bay speaking so strongly in favour of this cruise ship landing jetty for West Bay. I seem to recall that about this time last year he was heaping scorn on the idea and championing the cause of Spotts as an alternate landing site for George Town. Of course, circumstances were different then.

As has been said, in my opinion the first thing to be determined about this project is whether any of the cruise ships can be persuaded to use it. I believe the bullet must be bitten, and that question settled once and for all because it would make absolutely no sense to build a jetty in West Bay if it is not going to be used. I have no knowledge that questions have been firmly put to the cruise lines and any definitive answers given. I believe that is the first phase of the investigation.

In this connection, I think we have to recognise that West Bay is not an all weather port, and that there will be occasions when West Bay is not suitable to land passengers from the cruise ships. During the times of the year when the wind blows anywhere from southeast through southwest at any force at all, West Bay will not be usable. So if we sign up a ship specifically for West Bay, we must have alternate

arrangements for that ship on those days when it is not feasible or possible to use a jetty in West Bay.

Having said that, I believe we have that problem solved right in the district of West Bay, in that I believe the launching ramp at Vic's Will could be an acceptable alternate landing site in the same way Spotts is to George Town in inclement weather. But this would have to be determined by the users of the facility. I am not an expert on that type of thing, so I am saying I think the full and true case must be put to the cruise lines and a definitive answer received. We can get the statistics, I believe, to show on average how often the weather conditions I have mentioned would take place and how often the ships would have to be moved around the point. We will be able to find out, as I said, whether this is acceptable to the cruise lines.

But even assuming the cruise ships will use West Bay, all of the other unknowns about this project have to be addressed. If the project is viable on economic and desirable lines (that is to the ships) just as importantly we have to make sure it is acceptable environmentally. I do not believe there are too many negatives, environmentally, against the project, but, nevertheless, the study will have to be done because I think we cannot cut off our nose to spite our face.

I would like to say here and now, there has never been a more ardent supporter of this project than myself. But I have always realised that it would be necessary to do an environmental impact and feasibility study before we could make a definite decision on the project.

There can be no questioning that a jetty in West Bay could achieve all for West Bay that the Mover and Seconder of this Motion have mentioned and more, I believe. But, as I said, we have to make sure we are not damaging our tourist trade as a whole by doing it. It is generally accepted that the long stay visitors to Cayman spend much more money than do the cruise ship passengers. Divers also represent a large proportion of our long stay visitors. So it is my opinion that it is imperative for a proper study to be done to determine whether the construction of a jetty in West Bay will have any deleterious effects on diving, generally, by adversely affecting the reef, etcetera. If it is found that the use of West Bay as a landing place for cruise ships would have unacceptable, deleterious effects on the reef, and therefore on diving generally, then I believe the people of West Bay would prefer not to have the jetty rather than to suffer a permanent reduction of visitors within a year or two.

It would seem to me we would be better off getting the few dollars which trickle in now through people coming into the districts by bus and taxi, rather than have none come to the Island at all. So I think it is imperative we take these things into consideration. Mr. President, I believe we have to remind ourselves sometimes that Cayman is a small Island with very limited attractions for tourists. Our reefs are probably our greatest asset. In my opinion we should do nothing to endanger those.

I must say I am somewhat puzzled that this resolution is here at this time, because both the Mover and Seconder of this Motion accepted in March when the Budget (which included the \$25,000 for this study) was passed, that a feasibility and environmental impact study would have to be done. At least it would appear they did, by not objecting to the money being placed in the estimates for the study. The Budget passed by this House in February was not actually approved, that is, the Appropriations Law was not actually approved, as far as I know, until some time in April. So what we are really talking about is a six month period since the Budget has been approved for this year.

It is obvious the Mover and Seconder of this Motion realise the time frame put in the Motion is unrealistic; that completion be achieved by March 1990. An amendment was offered which I think went a long way towards making the Motion acceptable.

I take the point about no funds having been voted for the construction of the jetty and the Motion (since it did not signify the Governor's approval) might indicate that it was not binding on Government. I am sure the debate which followed on the amendment indicated that had Government accepted that amendment, it would be looked upon as binding. I do not believe we should lead anybody down a path when we know the actual facts are different.

We cannot prejudge the outcome of the study. We have to accept that very often our personal thoughts and desires must be placed secondary to the national good. That is why I have made the point that I have supported this idea; I have lobbied for it along the way. I also know it has to be determined, it is in the national good, not just the apparent good for the district of West Bay.

I am hopeful that at the end of the study we will find that what we have all thought to be possible (and certainly desirable) for a long time, will be acceptable and can be done. We will find the money to get on and do it, so we can have the use and the desired effect on the district of West Bay as has been indicated by other Members. Certainly the *Hansards* of this House will bear that I also express this as my desire for the district of West Bay.

Thank you.

**MR. PRESIDENT:**

Proceedings are suspended for 15 minutes.

**AT 11:30 A.M. THE HOUSE SUSPENDED**

**HOUSE RESUMED AT 11:53 A.M.**

**MR. PRESIDENT:**

Proceedings are resumed on Private Member's Motion number 23/89. Does any Member wish to speak? [pause] If no other Member wishes to speak... The First Elected Member for the Lesser Islands.

**CAPT. MABRY S. KIRKCONNELL:**

Mr. President, Private Member's Motion number 23/89, Cruise Ship Landing Jetty. The recital of this Motion is very good, indeed. It reads:

"WHEREAS the building of a Cruise Ship Landing Jetty has been promised by Government;

AND WHEREAS such a facility could enhance the business environment in the district of West Bay and could encourage the revitalisation of commerce;

BE IT NOW THEREFORE RESOLVED THAT Government consider urgently the building of the proposed jetty, with the completion by March 1990."

As other Members have said, I feel it is important that we look towards other areas where cruise ships can land their passengers. We all agree there are often times when more than three or four cruise ships are in the harbour of George Town, there is extreme congestion at the landing here. Also during the winter months when there is heavy weather a large number of ships at Spotts creates a considerable problem. If facilities were made in West Bay for landing passengers there... I have had experience in West Bay as a ship's captain coming here in the early days, we never went to Spotts. We always went to West Bay because there was better anchorage and it afforded better shelter from the weather when it was from the Northwest.

I know from personal experience the advantages which West Bay offers. I am also familiar that two of the Island's best dive sites are in the area of West Bay, so if a jetty was considered for the West Bay area I would strongly suggest that permanent moorings be considered to be established so the cruise ships could attach to them rather than dropping their anchors, which would prevent destruction to any of the areas there which are so important to the future welfare of the watersports industry in this country.

West Bay has a large resident population with a very small business district. I think this would enhance their business district by creating more customers and enable more employment within that district and it would certainly improve commerce. I supported the \$25,000 in the Budget which was there for the feasibility survey and the Environmental Impact Study. I look forward to seeing their results.

I do have considerable problem with thinking that a jetty of the nature we would want could be completed in six months. I still feel the Mover of this Motion, in his winding up, might have to take consideration in doing something with the time limit which has been imposed. But I am also cognisant of the fact that the resolve section of this Motion is simply asking that Government consider urgently the building of a proposed jetty. It is imposing no obligation on Government, other than their interest.

I know the Executive Council shares my interest in seeing that this is completed at the earliest time possible. I would ask the Mover and Seconder of this Motion to let us amend the Motion in order that it can be accepted by the Executive Council, so we can get on with this much needed facility at the very earliest possible date.

Thank you, Mr. President.

**MR. PRESIDENT:**

The Third Elected Member for George Town.

**MR. TRUMAN M. BODDEN:**

Mr. President, I support this Motion for the Cruise Ship Landing Jetty. I think, in all fairness, even though I do represent the George Town district, we have to endeavour to assist, as far as possible, the other districts develop and also to share in some of what comes into the Cayman Islands generally.

This is one example where a lot has now been said on it, but the question is: Which comes first, the chicken or the egg? As I see it this is no different from the situation we have in Cayman Brac and Little Cayman. Sometimes you have to put in the infrastructure first. Government has to take the move to do it and then following behind that will be the necessary shops and other attractions which are necessary or desirable.

I do believe it is not in the interest of the Cayman Islands, generally, for there not to be some development in other districts because, among other things, it will reduce the congestion and intensity of human movement, if I may use that phrase, within George Town. It is true that proper studies should be made. I go for that.

I think what the Mover, the First Elected Member for West Bay, is trying to do here is to get some move on and try to get this project underway. He has waited, as the Member for Education has mentioned. It has been approved to do the feasibility study now for six or seven months. Really, I do not see any reason why, at this stage, Government could not have been in a much better position to have contacted cruise ships, or whatever else they needed to do. I believe that if a person wants to do something, they can find a reason to do it. Similarly, if they do not want to do something, it is very easy to find a reason. In fact, it is far easier to take the negative approach and find the reason against it.

This is going to help the people in West Bay considerably. It is one of the districts that does have some cottage industry, such as the local crafts in thatch and that sort of thing. These are things the people coming here, I think, besides the ones who do a lot of shopping but I think it would be nice for some of them to see the areas of Cayman which are less developed and be able to walk around in the very pleasant surroundings which are there.

I have done a bit of travelling by cruise ship myself, Sir. I do know that once we went to a place in the Bahamas with the Norwegian Line. It was just a little Island. It had a jetty. It had no shops. It really had nothing. It was just an island you went to. So I do not think we should try to believe

there has to be a large shopping facility there of necessity. It would be good to have them but I do not think it is totally essential.

I do not see any reason why a permanent mooring could not be put in an area away from the dive sites. Nobody wants to affect those but those ships, most of the time, are off the drop off in probably a few thousand feet of water. There is no reason why a place could not be found along that stretch to put down the permanent moorings.

I agree with one thing. Proper sanitary facilities need to be put into place and, quite frankly, Sir, if they take as long doing it in West Bay as they did in Spotts, we could be well be looking at another Government's reign before it comes about. But I hope that will be put in along with the dock at the beginning because this is an absolute necessity, especially for elderly tourists coming off of a boat.

The mention of West Bay not being an all weather port... I doubt if there is anywhere in Cayman, other than where the previous Government was going to put the dock in the North Sound, which could have been an all weather port. But as we know that was going to destroy not just a few dive sites, but probably a substantial part of the Sound would be lost.

There will be a chance in between now and the Budget so that if anybody who is worried about the position of where the cruise ships would be moored... there is plenty of time there, I think, that this could be checked out. We could find out, prior to this coming up for the expenditure to the Budget in November.

The George Town area has become very congested. It is good to see that there are a few improvements there. There is now a little covered area. Especially in the heat of the summer months if we had a roof on, what I will call, the last Government's coliseum, which I think would serve a good purpose and assist with the other covered area they now have.

The talk about whether the landing area which was used in the old days is a proper area or not, I do not see that as being a good reason for holding up this Motion. The Backbenchers are reasonable. That reasonableness has been shown that we supported four out of five Bills which came to this House. We supported many in the past. We supported far more than we opposed. If someone comes back and says, "Look, here is a very good reason why the jetty should not go in here, it should go in somewhere else", then I think we are reasonable enough to agree with that and move forward with a unanimous consent at that stage in Finance Committee, or wherever it may subsequently arise.

So I feel the thrust by the two Members for West Bay who moved and seconded the Motion is good. I think they genuinely feel that the time has come when the West Bay area needs some rejuvenation. It needs some type of increase in the industry in that area. I think it is good overall because it will begin to decentralise partly, and only to a very small extent, because with the number of cruise ships we now have, putting one on that side should not require a large amount of facilitates, as were mentioned. If someone wants to shop and the type of shop they want is not there, they get in a taxi and can come into George Town. But many of the people coming off for the day would enjoy walking around West Bay. It is quaint. It has a good beach. It is not really commercialised the way the center of George Town is.

Like I said, I do not feel, as a representative of George Town, that it is being unfair to my people here to say, "Look, let us share a bit of the tourists who are coming into George Town." In fact, I think it would assist.

I really do not think the argument of Government against the Motion carries water at this stage. Basically, as I understand it, they are saying give us more time. All of us have given them six or seven months since we passed the money in the Budget back in February. At this stage I think we really need to move on with it.

I would hope that the Motion would find some favour with Government and that we could get really on with the necessary studies and surveys and see if we could do something to start a move on the building of the jetty in whatever area is reasonable.

Lastly, the Mover, the First Elected Member for West Bay, needs to be congratulated again as he has put a lot of these motions. So have the other Members of the Backbench which they feel are definitely and genuinely in the interest of the people as a whole and of their districts, more specifically. It would be good if that understanding could get through to the Government Members and we could see a lot less friction and a lot more cooperation. As I say, we have cooperated in every meeting on a majority of the Laws, we voted with Government many times, far more than we have voted against the Government when it is good for the country. On the other hand, there are times when we see things which are good for the country and we put them forward in Motions or otherwise. This is one of those Motions. I would hope the Motion will be passed and would look forward, one day, to seeing a cruise ship landing jetty in the West Bay area.

Thank you.

**MR. PRESIDENT:**

The Honourable Member for Health.

**HON. D. EZZARD MILLER:**

Mr. President, I think the Government's position has been made clear on the Motion. We cannot accept it, because to accept a Motion which indicates the proposed jetty with completion by March 1990 is a timetable the Government cannot meet. It certainly could not meet that timetable without the expense and other projects, which are just as important, if not more important, being put on hold to expend its resources in that area.

The Third Elected Member for George Town said that when they built the jetty at Spotts it really was not a big deal. They had done it in six weeks. Then he turned around and criticised the Government because we have not completed the restroom facilities. I think there is another dock over in Little Cayman that the Government is still fighting to find out what is the position, whether we are going to

own it or if somebody else is going to own it.

All we are saying is that we want to make sure (as we are doing with all the projects, with all of the jobs they have given us to do through these Motions which we have accepted in the past and have accepted during this sitting to do) that we are doing the best possible job that can be done, not a half-way job; not just going down there and putting two pieces of PVC pipe out into the sea and two pieces of board and leave it for somebody else to come along to find out what it really needs and go into all the proper procedures of acquiring land, having the thing properly studied, making sure the facilities are there, etcetera, etcetera, etcetera.

All we are saying is the money is in the Budget for this study. The Honourable Member has indicated the study has started. He has given a lot of facts which have already been collated. I think either we are going to do a good job, or we are going to do things piecemeal and then be criticised for hurrying up the job and getting it halfway done. They cannot have their cake and eat it too.

I think the track record of the Government over the last several months (despite their criticisms) is that anything it takes on to do, it tries to do the best possible job with the resources that are on hand. You cannot do that kind of thing in a hurry. People do not plan to fail; people simply fail to plan properly. I think this is what the Government is intending to do in this issue. The project is at hand and I therefore cannot support the Motion which is before the House.

**MR. PRESIDENT:** Does any other Member wish to speak? [pause] In that case I call upon the Mover to exercise his right of reply.

**MR. W. McKEEVA BUSH:** Mr. President, I rise to reply to the debate on this resolution. I must say that I rise with a heavy heart because it looks like I will always be amazed at how men can change their minds and their opinions on a matter.

But this is a democracy. As I was told by the Member for Tourism in a meeting in West Bay about trying to take back my vote on the Cayman Airways deal, I remember very vividly, he said, "You hear about a sty, they should get a sty." Well, I doubt that a sty, as the people in Cayman know it, would help the situation today or that it would change some peoples' minds on this matter.

In looking at their excuses I know the Government was very, very busy after they learned this Motion was before the House three weeks ago, because from the first time this matter was raised in 1980 (when the Member for Education got elected) all Government has ever done was to promise. Now they have finally put the \$25,000 in the Estimates for this year. They did nothing until three weeks ago when this matter was put to the House...

#### POINT OF ORDER

**HON. LINFORD A. PIERSON:** On a Point of Order, Mr. President.

**MR. PRESIDENT:** State your Point of Order.

**HON. LINFORD A. PIERSON:** The Member is misleading the House. If you would like me to elaborate, Sir, I will.

**MR. PRESIDENT:** You will have to, otherwise I cannot rule.

**HON. LINFORD A. PIERSON:** I have explained to the Member that from the time the item for \$25,000 was put into the Estimates to do a feasibility study it was commenced shortly after.

It is not correct to mislead the public, to let them believe that it is only since his Motion became knowledge some three weeks ago, that this has started. I am having my Principal Secretary now confirm that no Member of my Portfolio gave him any such information, as he has informed me someone did.

**MR. W. McKEEVA BUSH:** Mr. President, I was informed and, knowing the spirit of certain people, I am not going to give away my information. I was informed that nothing was done on the resolution, or on that matter until three weeks ago when the matter was raised. That was my information.

**MR. PRESIDENT:** Unless you can produce that evidence, I am afraid I have to accept the statement made on the point of order.

**MR. W. McKEEVA BUSH:** What is the statement, Mr. President? I do not know what the Member wants me to do.

**MR. PRESIDENT:** As I understand it, you had said that until three weeks ago nothing had been done in regard, I presume, to getting the feasibility study going.

**MR. W. McKEEVA BUSH:** I am saying that is my understanding, Mr. President. That is what I heard.

**MR. PRESIDENT:** Well, the Honourable Member for Communications has risen on

a point of order and says that is not the case. I think the simplest way to deal with this is for us to wait until the evidence is produced from the Portfolio, which will presumably be documentary evidence, then we will settle the matter. Meanwhile, please continue.

**MR. W. McKEEVA BUSH:**

Thank you, Mr. President.

would tell us who it is that is doing the study?

I am wondering if before the Member leaves the Chamber, he

**MR. PRESIDENT:**

I am sorry, but that is getting into a debate on another issue. I

think we should stick to the main resolution.

**MR. W. McKEEVA BUSH:**

Mr. President, I will abide by your ruling, Sir. I think that puts the matter in the right perspective. I was going to get on to this before I was interrupted. I do not know if it is conscience or what, but I was going to say that they say a feasibility study is now being carried out. If the Motion gets nothing else done, I believe it spurred that on.

I have personally asked the Member who is doing the study. He said he could not tell me because I had the chance to wind up this debate.

**HON. LINFORD A. PIERSON:**

Since the Member has given way, he did, in fact, ask me who was doing the study, but my experience in this House has been that when information is given outside the House, names and information are brought back here and given to the public. I wanted to guard against that, Sir.

**MR. W. McKEEVA BUSH:**

This is a public matter. I am the Member... let me put it clearly: the FIRST ELECTED MEMBER - the first among equals (whether that means something else) - for West Bay, and I have a Constitutional right to know who is doing what, which might affect my constituency. But I will leave them, Mr. President, since they are running. I think I have put the matter in perspective about my understanding of when it started and all that sort of thing.

Mr. President, the Member began yesterday by outlining what he said would be necessary before any work took place. First of all, from the debate the Member gave the impression that there was going to be this multi-million dollar dock or facility. We are not asking for this. We are not trying to be extravagant. This is not what we have asked for. The Member talked about land costs. Let me say to this Honourable House, land costs in West Bay central would be a fraction of a berthing facility in George Town. In West Bay central land value is \$3 (or in that region) per square foot. In George Town it is \$45 per square foot. You can cut an acre of land in George Town and you will see what I am talking about. So if we had to work out an acre or anything in that region of land in West Bay... but as I develop my argument here you will see that is not needed. If we took that as a measure, we could easily pay someone an inflated price in West Bay as an incentive, without reaching the proportions of expenditure of what a berthing facility would be in George Town. But I would have to point out that I do not know of any property in West Bay central which would have to be bought. I do not know of any. If there is, it would be very little.

If we had to purchase some building, though I do not know which, because there is none in the vicinity which would need to be removed, but if that was the difficulty there are no modern multi-million dollar buildings to be removed like what you would probably have to do in George Town; I understand two sites are under review. I have to be careful with my English, Sir. So, this argument about land costs would be very, very minimal, if any.

Zoning. Already a vast majority of the properties in West Bay central are commercially zoned. Certainly, the area where the building and jetty would be built is already zoned for tourist related and commercial development. So that would cause no problem. So what is this talk about zoning? Did they really start a study? But even if we had to do a small amount of rezoning, I do not know of any. This surely could cause this Government no great amount of problems seeing as they came here quickly and got the thing done for the Hyatt.

We did something, as I understand it, for the Japanese project. We certainly did a lot for the other dredging projects. Why not, if we had to do a slight amount of rezoning for West Bay. Who are we developing for? Are we not developing for Caymanians? That argument is very, very shallow. It says to me, there is no commitment, McKeeva. You can amend this until the cows come home, but you are not getting a dock until we say you can get it, if we say you get it.

Water and sewage. Water. This should not be a problem since Government has agreed for Cayman Water Company to begin service in the West Bay district and they plan to start work in 1990. Cayman Water Company's water line stops at the West Bay cemetery now, as I understand it. Therefore, it would naturally follow that they would have to come right past the jetty area, in central West Bay before they go anywhere else.

Sewage. What could be done is a holding tank built, like anywhere else, until such time as sewage lines are installed in West Bay. I do not see that for many, many years. So that excuse holds no water. I really have to ask did they do a study? Did they start a study? Did they come to West Bay and look at the area? Did the Member come to West Bay and look at the area? Did any one of them come to West Bay and look at the area? I can answer that question - I doubt it.

Dredging..and, Mr. President, this is the most preposterous and lame of all the excuses that they have come to this Honourable House with. It tells me that nothing has been looked at in this area, despite the fact that they now want to claim that something has begun. If something has begun... with the long, I will put it this way, blarney the Member for Works gave us yesterday... if that was done

instead of taken out of a book, then they would know that there could be no dredging done in that area. I would say West Bay has as good an anchorage as George Town, or better, in some instances. That matter of dredging is a red herring. Where the ships would anchor is where ships have anchored for generations. The water there is really deep. It might be 100 feet or more in some instances. I think that was acknowledged by the First Elected Member for the Lesser Islands who is a Master Mariner. Now we might have a problem if a ship (and I will have to use my common language here) was tailing in-land all the time. And I say MIGHT. But that would not be so since, naturally, they would tail-out to sea which would mean they would anchor and tail-off, off the drop-off. The only time a ship would tail inland is in a south-westerly wind. In such weather the jetty would not be used. Very rare occasions, Sir. So his argument falls by the wayside about that area being too shallow and the possibility of sediment causing damage to the reef. That was only a red herring because they know people do not like the word dredging. That area has the best anchorage, there would be no need for any dredging.

Environmental impact. He talked about garbage and so on. In a commercial area you would expect to find some garbage lying around the place. Surely, that is the least of the problems. I, myself, would undertake to clean it up. The argument, I should remind the House, about sediment is very shallow because, as I said, the reefs are hundreds of feet away from where the ship would anchor; and because of how the ship would swing out to sea naturally, there would be very little, if any, sediment to worry about.

Why is it that every time we ask for something for our constituencies which is worthwhile, we are told of environmental damage? But when it suits the Executive Bench, whoever they may be, in order to facilitate friends they would move Hell, if it had a healthy, lucrative position for someone.

**MR. PRESIDENT:**  
reasonable. I ask you to withdraw it.

I think that is imputing impropriety. I do not think that is quite

**MR. W. McKEEVA BUSH:**

I will withdraw it, Mr. President.

They are worried about the environmental damage? The Member for Health is looking at, or there are enquiries about, a \$10,000,000 incineration plant which, again, certain people are involved in. Do you know what kind of damage that could cause, and the poison that can inflict on the environment?

Are we worrying about environmental damage after all the dredging they are allowing? These people must stop talking out of both sides of their mouths - what is sauce for the goose, is sauce for the gander. Development must take a view that it is going to benefit the Caymanian people as a whole, not only friends and families of certain people in this country. That must stop. We are getting a rotten name in this country.

Yes, there would be the need to widen the roads. I agree. But there would be no need of compulsory acquisition of anybody's property. There again, that is a red herring! What can be done and what we have suggested... as we said before, the present road comes in on the waterfront behind Mr. Wilbur DaCosta's restaurant which runs into Boggy Sand Road, that could be widened and upgraded. We know this. As a part of the plan that could be made a one-way street coming in from that direction with an exit by the 4-way stop. You would come in, pick up tourists, if that was needed, and go out the way I said. So, what is this talk about compulsory land acquisition?

They ask me what I am worried about when I hear that sort of rubbish. It is a red herring because they know that kind of talk, by its very nature, causes confrontation. Nobody in West Bay wants confrontation. What we want is some development to get West Bay going again.

He mentioned the gas station. Perhaps the gas station could be purchased, I do not know. But that business would be, in my opinion, a natural part of the whole area because certainly, that commodity would be needed. Remember, we are trying for a jetty that will take some of those dive boats away from the public beach area. We are also thinking that a lot of the pleasure boats and other crafts which have to anchor off the dock area in George Town (because of congestion and the wait for time and space at the dock) could use the jetty in West Bay and take some of the congestion from George Town. So there would be the need for a gas station in close proximity. That would be a necessity. These boats could use the jetty. This is what we want and are talking about; more business for West Bay central. So that gas station would not cause a problem, but would be as it is now, an integral part of the business district of West Bay.

There is one argument that the Member used about someone finding out that tourists like to disembark in a central town. Who said that? What kind of study was done to determine that factor? But let us say that is so, although I doubt it. What is West Bay central? That is what we are dealing with. We have facilities. We have jewelry stores and other businesses. This is what we are saying. To get duty free shopping and the other support businesses, we need at least one cruise ship to make it viable. That is what we are saying.

That brings me to the part of the debate as given by the Member for Tourism. He said good planning produced good results. He said facilities must be put in place first. This is what we are asking: for Government to get on with the building thereof.

It is a pity that in all of the Member's talk (the Member replying for Government) he could not come up with one point that showed Executive Council had any optimism and commitment for putting a jetty in West Bay. Everything he said was reasoned as possibilities why it should, or might not, go in West Bay. So this talk about coming off or disembarking in a town holds no water.

I believe, from what I am told by taxi drivers and other people in the industry, that tourists relish that kind of atmosphere. They want to be able to get out in the districts and see the

people and the quaint Cayman houses, where the people live and where could you find more of these Cayman houses than West Bay? Tourism would be enhanced. But you see the conflicting arguments over there. The Member is saying someone told him about the tourists do not want to come off or disembark unless they disembark in a central town. It is my opinion that they are not going to do what we are saying regardless of any time frame. That is the argument I get from the Member replying for Government.

We talk about tourist related development which would enhance Hell and the Turtle Farm. The Government, we must remember, is also looking at purchasing the Club Inferno property. We have to bear all those things in mind. I said it to the House already, and I will say it again, we have to look at the whole related tourist development in terms of tourist entertainment and so on. I do not support things like big snakes coming in here. That is not what the tourists want. Tourists want to be able to have a good time in an island atmosphere. I believe West Bay can produce that, and has produced it in the past. All we need is for them to get off their feet and do something about the situation.

I do not think the possibility of changing the hours for dancing on Sunday and Good Friday and so on is going to help. I personally propose the extension of hours through the week. I make no bones about that. That was raised in a matter here the other day when it was tried to make it look like it was coming from us on this side.

It is said that fools rush in where angels fear to tread. Well, Sir, Parliamentary decency prevents me from referring to anybody as a fool but, certainly, my common sense prevents me from referring to anybody as an angel.

Now, the Member said he had professional input. I am still waiting to hear who are these professional people. I am still waiting to hear what bearing, if any, these professional people would have on the proposed George Town berthing facility. Who are the investors for such a facility? Who is the Caymanian connection, if any? If they want to know about West Bay water, the depths and so on, let them go to the seamen in West Bay who know about the area and talk to them, not to somebody who has a vested interest.

I suspect, within reason, opinions are perfectly constitutional. There is, in my opinion, a concerted effort to stop that jetty for West Bay because of investors and Caymanian partners and possible Caymanian partners who have a vested interest. I am afraid those are the reasons there is so much negativeness about the jetty proposal. But I say, here and now, they might stop the jetty in this House for a certain time where they are assured of some votes, but they cannot stop us forever in Finance Committee. I believe we can carry a majority there and I intend to take the matter as far as possible because this has been promised for too long. There has been no action, only put-offs and red herrings.

This country, in my opinion, must stop being run by so-called vested interests and come to where our people can get a share of the development, so districts like West Bay can get attention other than a few street lights and a few roads. When the real money is being taken out of the Islands by a few foreign interests and that is alright, but it hurts me when a district like West Bay can be stopped because of vested interest. We want foreign investment, we will certainly give him the chance to invest here but there must be something for our local people.

**MR. PRESIDENT:** If I may intervene for one moment, and I was not suggesting we suspend proceedings. I am having a little difficulty in following some of the things you say and I would like to understand that you are not imputing that the Executive Council or any other the other Member of the House is being influenced by these interests to whom you refer. Would that be correct?

**MR. W. McKEEVA BUSH:** Mr. President...

**MR. PRESIDENT:** It would be improper to impute that...

**MR. W. McKEEVA BUSH:** I appreciate your stopping me, Sir. That is not what I am saying. But I think what I am saying makes good sense. It is good for all to hear.

I am concerned, and I have voiced that concern to the highest executive in this country. We, on these Islands, did not just get our prosperity so. We always have had a good name abroad. But I am worried about the situation. I am concerned because from what people are saying from outside the country is that the country is turning rotten. I am disturbed about that because, hitherto, we did not hear about all these big deals being made and partners having some part of deals which can sometimes infringe on public interest.

Mr. President, our country was not built like that and I am really concerned. That is why I said this morning that, maybe, I would call his Excellency, at some point, for a Royal Commission of Inquiry into this country. I know what helps this country tick and, believe you me, it was not big deals by big wheels with vested interests. That situation was minimal, very minimal in our formative years. We are getting to the point where you hear things on the outside which are making us look bad. That is why I mention the Commission of Inquiry. I want no part of the system I see and hear about which might be trying to be perpetuated. It concerns me! I am worried about it!

The Member for Education did rise at long last, and he threw in his little bit about our project in West Bay. He began, as usual, by tearing somebody down. I must defend the seconder of this resolution, the Third Elected Member for West Bay. My remembrance of what took place in the campaign is that we did not agree on every area and all matters. Certainly, he was our opposition we were his opposition and we disagreed. But this matter was one which he said he could support because he thought it would be good for West Bay.



He made some disparaging remarks about how the situation has changed. What has changed is that we took out one extension cord and now West Bay does not have any. The Third Elected Member and I have been working together quite well for the district of West Bay and I think this is what it means. This is what should take place. If I bring something good, he supports it. If he brings something good, I support it.

**MR. PRESIDENT:**  
are suspended until 2:15 P.M.

I think at that point we might take the lunch break. Proceedings

#### AT 12:54 P.M. THE HOUSE SUSPENDED

#### HOUSE RESUMED AT 2:18 P.M.

**MR. PRESIDENT:**  
Member for West Bay continuing.

Proceedings of the House are resumed. The First Elected

**MR. W. McKEEVA BUSH:**

Mr. President, when we took the lunch break I was dealing with the remarks made by the Member for Education. The Member said a lot more about the resolution than what he has said. To give a history of this, as far as studies and what have you are concerned and the bringing of resolutions on this matter, the Member did say he was surprised the resolution was being put before the House now. That matter has to be cleared up.

Since we were Elected in 1984, we have always had discussions on this matter. When I say we, I refer to the Member for Education and myself. I discussed this with him before the May meeting last year. He said, "Look, let us hold back and see what the position is." I did that. I advised him that I wanted to bring the resolution to get a commitment before the September meeting, the one where the House was prorogued. I discussed with him bringing the resolution again. He said to hold back, 'let us hold back and wait for the Elections and see what happens.' We did that, and nothing happened except there was this money for this study. One of the things which happened (going back to studies) was that at one point we had an engineer who told us if we could get a letter from Government requesting such a study we would have been able to get it free. We could have gotten the whole area done free, which would have been paid for indirectly by the Canadian government. All these things have gone on. If we wanted a study, if a study was really necessary. So that is a little of the history of the matter.

As I said, I had to be concerned that nothing was happening, knowing all these things had taken place. He said he supported it, and he has a right to support it. We have put in three manifestos for three elections so he should really support it. But saying he supports it and not getting anything done after all these years is a different matter.

The Member for Tourism said that a big difficulty would be (and it was paramount to the whole issue) if we could get the cruise ships to come to West Bay. I am surprised at this. I really am. Because now they are saying that would seem to be a great problem. That is not what was told to me between 1985 and 1988; whenever I approached them on that matter they said we would not have to worry about the cruise ships, that was the last thing to worry about. Furthermore, I know that some of us talked to certain cruise ships, and that is not the problem. But the truth is they knew a Member from this side of the House has those concerns - a new Member - and there was a possibility of getting him to shift his vote on this resolution in favour of the Government bench. That is a fact.

It is not my practice to scorn studies, as was said by the Member. I have as much good sense as anybody else that we need to study something. It is plain to see when there is no effort made in certain areas. This Island is small. Government is not that big that they can hide anything. I find out, even though I am not in the Portfolio. I know when nothing is being done.

Mr. President, the Member for Health rose on this - and I do not know if he was asleep because he said Government could not meet the deadline of March 1990. We amended the resolution and gave a much longer time frame. I must reiterate that. We are not saying this must be a piece meal thing. We are not saying, either, that there must be \$1 million or \$2 million spent on this project because I do not think that is what needs to be done.

One last reply to him - and he brought it up when he talked about their jobs, and how much they have to do, and how much they have produced since November - what have they produced? Show me! I told them a long time ago that their honeymoon is over. I hope to receive results soon from the Social Security Scheme. I hope to see results from the school leaving age, the Apprenticeship Scheme, the National Education Fund, the house numbering. These are the things which must be done.

They challenge me to say we only bring the resolutions but do not have enough sense to put it through. Well, that remains to be seen. Certainly, if I was in Executive Council we would be moving a little bit faster. I am not going to refer to anything that Member said because really he did not make a contribution, as such.

To sum up, Mr. President, there is no doubt that the facility which we are asking for is needed. I think everyone here today has said that. There is no doubt it is possible, if it is not sabotaged. The fact that George Town is so overcrowded with traffic difficulties makes the West Bay facility a dire need. Those are the plain facts, and the quicker they do it the better off this country will be. The possibility of environmental damage is small, indeed. The whole area, including the anchorage, is conducive to this kind of facility. The important thing is that West Bay desires, West Bay wants - and West Bay needs - such a facility. There would be no confrontation - water is taken care of; sewage should be no problem; garbage should be no problem;

no land acquisition... these are things which could possibly cause confrontation. We do not have that problem there.

I contend that... and I do not care what anybody else says. I live in West Bay and I know the area. Whoever carried out any study did not do their job right. We amended the resolution to give them more time, not that I think it is needed, but to be cooperative we amended it. Again I draw Members' attention to the resolve section which says "...THAT Government *consider*"... they should have supported this in the first instance instead of being negative about the whole position. "...THAT Government *consider*" - that is the operative word - and if they had wanted to pass the Motion that I and the Third Elected Member have brought (instead of being negative because we brought it) then that word *consider* is a tool in the Government's hand. They can do it, but they can come back and say they considered it and nothing needs to be done.

Some hard things have had to be said. I hold no grief for anyone. I am here to do a job. I try to do a reasonable job and I try to be reasonable. I give Government support where I think it is needed and where it is in the best interest of this country. But we cannot keep putting off the real priorities in this country. I expect to get what is best and what is needed for West Bay. I do not expect to keep hearing that you do not support us, so we are going to starve you. Mr. President, that is not right. I am a representative of the people. The Third Elected Member for West Bay is a representative of the people, duly Elected, so they cannot keep telling us that and then going out and saying that we do not offer them support. I ask all Honourable Members on this side of the House to help the business of West Bay. Help that community come back to the position it was in before by passing this resolution.

I am prepared to amend it, if the Chair allows, to say:

"BE IT THEREFORE RESOLVED That Government consider urgently the building of the proposed jetty, with completion as soon as possible. With a report to this House in November of this year and reports to be made thereafter until such completion."

I do not think we could be any fairer and I trust you will allow this resolution, this amendment to be put.

I thank those Members who have supported it...

**MR. PRESIDENT:** Excuse me one moment. If you are now putting an amendment I shall have to have it before me in writing to consider it. The rules require that.

**HON. LINFORD A. PIERSON:** Mr. President, I just wondered if we could have a break to consider the amendment.

**MR. PRESIDENT:** I think that is necessary. If I could have it in writing we will suspend for a few moments.

**AT 2:20 P.M. THE HOUSE SUSPENDED**

**HOUSE RESUMED AT 2:57 P.M.**

**MR. PRESIDENT:** Proceedings are resumed. I do not seem to have any copy of an amendment in front of me.

The First Elected Member for West Bay, continuing.

**AMENDMENT (NO. 2) TO PRIVATE MEMBER'S MOTION NO. 23/89**

**MR. W. McKEEVA BUSH:** Mr. President, as I indicated I am once again trying to be (using the word of the Executive Bench) 'flexible', amending the Motion so it will be a little more pleasing to them. Under Standing Order 25(1) and (2) I move, with the leave of the Presiding Officer, the following amendment to Private Member's Motion number 23/89, by deleting the resolved section as set out in the Motion and by substituting the following resolve:

"BE IT RESOLVED THAT Government consider urgently the building of the proposed jetty with completion as soon as possible and report to this honourable House in November 1989, and table regular reports thereafter, until such completion."

**MR. JOHN D. JEFFERSON JR.:** Mr. President, I second the Motion.

**MR. PRESIDENT:** The amendment has been duly moved and seconded. The question is that Private Member's Motion number 23/89 be amended as in the notice now being provided to Members. Would the proposer wish to speak to it?

**MR. W. McKEEVA BUSH:** Mr. President, this matter has been given a lot of airing. I think we are being fair and we, on this side, propose to say no more. I propose to put Standing Order 38, that the question now be put on this whole matter.

**MR. PRESIDENT:** I think we have to deal with the amendment first, having just moved it. I do not think it is quite the time to put Standing Order 38 here. Does any Member wish to speak on the proposed amendment? The Honourable Member for Communications and Works.

**HON. LINFORD A. PIERSON:** Mr. President, I am happy also to see that this Motion is being brought to an end because I would like to get out of here this evening. On behalf of the Government bench we are pleased to accept the amended Motion, with the understanding that I intend to bring a report on the Cruise ship landing Jetty in November of this year. However, with regard to dates of the commencement of the building of the jetty, it must be understood that this will be decided upon when the results of the feasibility study - I repeat, the building of the jetty will be dependent upon the findings of the feasibility study.

Thank you, Sir.

**MR. PRESIDENT:** Does the Mover wish to reply to that?

**MR. W. McKEEVA BUSH:** Yes, Sir, I sure would.  
Mr. President, the resolution is very plain. Either Government is accepting it or they are not accepting it. The resolution says:

"BE IT RESOLVED THAT Government consider urgently the building of the proposed jetty with completion as soon as possible and report to this Honourable House in November 1989, and table regular reports thereafter, until such completion."

We are not saying their study must have the last say. We are not saying that. I expect this resolution, if it is passed, to be carried out under the Constitution of the country. It says "until such completion." They have to bear that in mind. I am not accepting any other undertaking but what is in this resolution.

I thank Members for their kindness and we hope this can be passed and worked out as the resolution says, not as the Member replying for Government says. We are not accepting that. We are accepting what we will be voting on. Either no or yes.

Thank you, Mr. President.

**MR. PRESIDENT:** In that case I will put the question on the amendment. Those in favour please say Aye...Those against No.

**AYES.**

**MR. PRESIDENT:** The Ayes have it.

**AGREED. AMENDMENT (NO.2) TO PRIVATE MEMBER'S MOTION 23/89 PASSED.**

**MR. PRESIDENT:** The First Elected Member for West Bay was speaking in reply to the debate on the substantive Motion. However, he has indicated he wishes to move under Standing Order 38 for closure.

**MR. W. McKEEVA BUSH:** Mr. President, I move the closure Motion, yes. After the amendment I moved it.

**MR. PRESIDENT:** Yes, all right. It was not quite clear to me. Please continue. You are now winding up on the debate on the substantive Motion?

**MR. W. McKEEVA BUSH:** I am finished, Mr. President. I am finished with the debate. I ask all Members to support the resolution as it now is. We intend to see this matter finished and completed in West Bay, according to the amended Motion.

Thank you, Mr. President.

**MR. PRESIDENT:** Question is now put on Private Member's Motion no 23...

**HON. LINFORD A. PIERSON:** Sorry, Mr. President, I was just looking for the section of Standing Orders for the personal statement I promised to bring to the House this morning regarding the matter which was raised here in respect to my Portfolio.

**MR. PRESIDENT:** I do not think we can take it at this moment on the Order Paper. I have just taken the voices and perhaps a division on this Motion. I think you can make it after that, although normally it would be on the next day's Order Paper.

I am going back to calling for the voices on Private Member's Motion number 23/89, as amended. I shall put the question. Those in favour please say Aye...Those against No.

**AYES.**

MR. PRESIDENT:

The Ayes have it.

MR. W. McKEEVA BUSH:  
division.

I know you are ruling, Sir, but in this matter I would like a

MR. PRESIDENT:  
Standing Orders. A division please, Clerk.

I accept that you are not challenging my opinion in terms of

CLERK:

DIVISION NO. 25/89

AYES: 15

NOES: 0

- Hon. Thomas C. Jefferson
- Hon. Richard W. Ground
- Hon. J. Lemuel Hurston
- Hon. W. Norman Bodden
- Hon. Benson O. Ebanks
- Hon. D. Ezzard Miller
- Hon. Linford A. Pierson
- Mr. W. McKeeva Bush
- Mr. John D. Jefferson, Jr
- Capt. Mabry S. Kirkconnell
- Mr. Gilbert A. McLean
- Mr. Roy Bodden
- Mr. Franklin R. Smith
- Mr. John B. McLean

UNANIMOUSLY AGREED. PRIVATE MEMBER'S MOTION NO.23/89 AS AMENDED PASSED.

MR. PRESIDENT: I would assume the leave of the House so that the Honourable Member for Communications can make his explanation about a point arising from the debate?

PERSONAL EXPLANATION  
(Standing Order 31)

HON. LINFORD A. PIERSON: Thank you, Mr. President. During this morning's sitting the First Elected Member for West Bay stated that he had received information from my Portfolio that no action had been taken on the question of the feasibility study for the tourist landing in West Bay prior to knowledge of his Motion. I told him he was misleading the House with this information, and I would like to substantiate this because he said he had received this information from someone in my Portfolio. The members of my Portfolio have signed this letter and I will be passing it to you after.

It has been signed by the Principal Secretary, Mr. Kearney Gomez; the Assistant Secretary, Dr. Atlee McLaughlin; another Assistant Secretary, Grant Thompson; and by Mr. Philip Tatum, Executive Officer; also Mrs. Ulah Giddens, my personal secretary. It reads:

"15 September, 1989.

TO: The Honourable Member of Communications, Works and Natural Resources

FROM: All Members of Staff;

SUBJECT: Feasibility Study - Tourist Landing in West Bay.

We, the Members of staff of this Portfolio, unequivocally state that at no time have we in any way advised, or otherwise indicated to the First Elected Member for West Bay, Mr. McKeeva Bush, that nothing had been done until he brought his Motion in relation to the feasibility study for the tourist landing in West Bay. This is to confirm that considerable work has, in fact, been carried out on the feasibility study over the past five months. The committee which was established to undertake the study will be providing you with a final report in November, as agreed. Interim progress reports will be submitted to you by the coordinator and a presentation will be made by the whole Committee when the final report is completed."

making. Thank you, Sir.

Mr. President, I think this clears up the point I was

MR. PRESIDENT:

The First Elected Member for West Bay.

MR. W. McKEEVA BUSH:  
is completely right. Not one of those people talked to me.

Mr. President, I just want to concur with the Member. He

HON. LINFORD A. PIERSON:  
are the members of my Portfolio, Sir.

Mr. President, I do not know what to think because these

MR. PRESIDENT:  
number 24/89. The Elected Member for East End, please.

I think the point has been made clear. Continuing with other business. Private Member's Motion

PRIVATE MEMBER'S MOTION NO. 24/89

PUBLIC SAFETY

MR. JOHN B. McLEAN:  
number 24/89, entitled, Public Safety.

Mr. President, I beg to move Private Member's Motion

"WHEREAS some people are concerned that horse-back riding on the Seven Mile Beach may be hazardous to those who use the beach;

AND WHEREAS it is in the best interest of the Islands to protect the safety of not only Caymanians and residents, but also tourists;

BE IT NOW THEREFORE RESOLVED THAT Government take the necessary steps to prohibit horse-back and other similar riding in areas which may threaten the safety of the public."

MR. GILBERT A. McLEAN:

I beg to second the Motion, Mr. President.

MR. PRESIDENT:  
and seconded. Would the Mover wish to speak to it?

Private Member's Motion number 24/89 has been duly moved

MR. JOHN B. McLEAN:

Yes, Mr. President.

I am pleased to move Private Member's Motion number 24/89, entitled, Public Safety. This Motion deals with concern over public safety due to horseback riding and racing on the Seven Mile Beach.

It can be noted that I have referred to this Motion as Public Safety because it is a fact that many residents and visitors alike have cherished the relaxation of the Seven Mile Beach and, indeed, we must always keep it as safe as possible for such purposes. Many of our people look forward to public holidays and Sundays when they can take their families to Seven Mile Beach to, as the old people talk about, see and be seen; most importantly, to relax and unwind from the pressures of work and, even more important, to enjoy what happens to be theirs - I speak of the beach. When I speak of the Beach, I am almost always reminded of the song writer who said, "This beach is mine." Well, in this case, I am not saying that it is mine, but I would refer to it as 'their' beach, and they should be able to enjoy it.

The beach in question is frequented by people from all over the Islands from all districts. For this reason I feel it is the duty of all Elected Members to address this matter which could become a very serious problem. I believe that every Elected Member has a duty to the people of these Islands. This Motion is certainly seeking the support of the Members here to do something to prevent a problem. I would like the listening public to understand that I have not been prompted by any one individual, or by any one incident in bringing this Motion before the House; but, indeed, I have received complaints of many incidents when the safety of individuals was threatened due to the careless riding and racing of horses on the Seven Mile Beach. I could add to this by saying I have seen it myself on occasion, and until now I cannot figure out exactly how the individual was not trampled by the horse. I was on the Seven Mile Beach a few weeks ago and I saw an instance where a horse and rider were racing along and a child was coming out of the water and was almost trampled. I can only say it was due to the good instincts of the child, quick reflexes, and the hand of God that he was not harmed.

I would like to go through the many complaints I have received, and I would start by saying that about a month ago there were persons on the beach (what they considered the beautiful Seven Mile Beach as they termed it) relaxing close to the water with their little ones. They were very shocked when one of those little children while trying to build a little sand castle came upon what resembled a small cannon ball - but, of course, with much aroma. I was very distressed to hear this. Can we just imagine those innocent little hands having such an encounter?

I have also been told of couples, relaxing on the beach and horses racing by so close that the droppings were shaken off by a twist of the tail onto their beach towel. Local families, on more than one occasion, have had to quickly remove their children from the galloping path of horses. I had a report of a tourist having to jump to the edge of the water to avoid being trampled. Children of both locals and tourists have been frightened to the point where, instead of coming toward the parents, they have been found

running in opposite directions where they were more threatened by the horse.

Mr. President, for those of us who know exactly what a horse can be like, I think we need to take whatever necessary steps can be taken before we are faced with a greater problem. I can recall a few years ago on our roads when an individual almost lost his life because of a horse going somewhat crazy and out of control. This is my fear - that one of these days instead of being among cars, it may be among American tourists.

This Government, and past Governments, have spent large sums of money through the Tourism Department advertising our beautiful Islands. Indeed, one of the selling points has always been sun, sand and sea with special mention of the Seven Mile Beach. I believe I am correct in saying that most tourist related businesses, at some stage or the other, use the Seven Mile Beach as a selling point for these Islands.

Tourists visiting here, especially for the first time, look forward to seeing the Seven Mile Beach and not only seeing it, but going there to enjoy themselves being able to lie on the sand and soak in the sea. My question is: Are we going to sit by and allow this sort of behaviour in this area? Are we going to sit by and wait until a Caymanian, or a visitor, is killed before the necessary action is taken? I am aware that we have on our books the Animals Law. I believe in section 31 or 34 it places the responsibility on the owners of such animals to be in control of them. I can think of no time when this has been enforced, and I wonder why.

I am an individual who believes there is a time and place for everything and I cannot see the Seven Mile Beach as a place suitable for horses to be ridden. Let me say, lest I be misinterpreted, that I am not against anyone owning or riding horses. All I am saying is that I would like to know it is done in the right areas of these Islands. I have dealt mostly with horse back riding. I have mentioned a section of the Animals Law which does deal with animals and their control. I would also like to touch on what I also see as being another problem on our beaches, that is, individuals who go to the beaches (again, I have seen this not only on the Seven Mile Beach but on beaches around the Cayman Kai area) and take their dogs and allow them to run among people, in some cases attack people I would say. I urge those who have responsibility to enforce the Animals Law to do so. This can be very embarrassing to this country. We need only one American child to be harmed, and I assure you that news media, such as CNN, would give us some publicity that would take us years to get out from under. I am aware that in most cases the owners are in the areas with the dogs, but the point I am making is if there is a dog taken to the beach, it should be kept on a leash.

To move back to horseback riding, I would like to say that I am aware that many people consider this a sport and I am in no way saying this should not be allowed. I would make a suggestion as to where I feel it should be done. I know clubs, such as the gun club, have a designated area somewhere I think on the Dyke Roads. We also have other clubs, such as the Motor Club, that does their sport of car racing in certain areas. I see no reason why Government could not suggest an area where this sport could be promoted. Not only would it be promoted, it would be in a safe area where all those involved would enjoy, rather than be harmed by, the sport.

I have presented my Motion. I have based my argument around public safety. I am asking all Members of this Honourable House to see it in that light and to offer their support to this matter.

Thank you.

**MR. PRESIDENT:**

The Honourable Third Official Member.

**HON. J. LEMUEL HURLSTON:**

Mr. President, I rise to speak to Private Member's Motion number 24/89 entitled Public Safety. It is accepted that public safety is everyone's business, including that of the Government. Public beaches are designed for the enjoyment of the public. The sensible use of public places is everybody's responsibility. Public beaches are clearly not for racing animals.

As the Mover pointed out, beaches are generally used for purposes of pleasure and relaxation. I understand it is a bit of a tradition for persons owning horses to want to exercise them in a relaxing environment so that the exercising of the horse becomes a pleasant and pleasurable experience. I believe also that years ago when the beaches were not as crowded as they are today, the occasional desire to race up and down the beach may have not been regarded as quite so dangerous as it may be regarded today. It is already a provision in our statutes that riding a horse in a manner which is dangerous constitutes a criminal offense punishable by Law. I refer to specifically to the Towns and Community Law, Chapter 169 and section 3(e). It says:

"any person who, in any thoroughfare in any town, rides or drives furiously, or on any thoroughfare or highway rides or drives so as to endanger the life of limb of any person, or the common danger of the passengers therein shall be guilty of an offence and shall be liable to a penalty not exceeding forty shillings;"

I believe by subsequent amendment that penalty has now risen to something like \$12. The Government accepts that such a penalty in any event is long overdue for a review, but we accept that as a responsibility which will be attended to as early as possible.

So, given that it is now already an offence to ride dangerously and improperly, and given that there is no record of any incident of any danger having yet occurred by riding on public beaches (the police have no record of any such report, there have been no prosecutions in the court) It would seem to the Government that the fairest and most appropriate action to take is to consider, not the prohibition of sensible and careful riding, but rather the regulating of riding in such a manner as to not produce any threat, whatsoever, to the safety and comfort of others enjoying the beach. In that respect it may be necessary to

propose some form of regulation to enable the control of animals, perhaps limiting and restricting them to certain designated hours and days. This is quite usual and there is nothing undemocratic about it.

For example, on Sundays and public holidays, or weekends and public holidays, when the beaches are generally crowded, it is conceivable that the use of the beach could be regulated in such a way as to permit riding only during hours when the beaches would generally not be crowded with other users. But to completely prohibit horses from being sensibly ridden in public places would seem to be a rather harsh provision given, as I said, there has been no record of any report of injury suffered as of now. For that we are all most grateful.

Perhaps at this point I should also use the opportunity of encouraging members of the public to assist the community by being observant, and to report to the police promptly any observations of dangerous or careless riding of a horse on any public beach and to come forward as a willing witness to give evidence in the matter so the prosecution can proceed accordingly. I believe, given the smallness of the community, immediately following the first or second prosecution in the criminal courts the public would soon realise that serious attention is being paid to this difficult area. The problem we have in this small community is that many people are willing to make the complaint, but few are willing to come forward and testify as willing witnesses. We often believe it is the responsibility of the police to do that, but the police can only take the evidence, and often times the only evidence is the witnesses.

In the interest of time, Mr. President, I will sum up by saying that the Government is unable to accept the Motion to prohibit horseback riding inasmuch as it is already prohibited by Law to ride a horse in a dangerous fashion. We accept, however, that the Law and its penalties are in dire need of review and updating. We accept there may be some public anxiety about this and will give an undertaking to address the matter without any further delay. We encourage the public to assist by being vigilant in their observance of any dangerous practices and to report such matters immediately to the police. The Government regrets it is unable to accept this Motion. The spirit of which is not in doubt, but the provision would call for the complete prohibition and this, in the present circumstances, is not considered desirable.

**MR. PRESIDENT:**

I had understood from Members that in the interest of trying to complete the meeting today that we were forgoing the tea break. Does any other Member wish to speak? The Second Elected Member for the Lesser Islands.

**MR. GILBERT A. McLEAN:**

Thank you, Mr. President.

As the Seconder of this Motion on Public Safety, I, needless to say, support the principle which is being put forward by it. As I understand it, the whole central thought and view is that the safety of the public - tourist, resident and native - is the main concern; concern for public safety in particular places, such as the Seven Mile Beach, and other areas where the safety of the public is threatened.

The Seven Mile Beach is undoubtedly one of the most advertised areas in the world. There is no doubt in my mind that it is highly and consistently advertised as a place where people go to relax in the Cayman Islands. I have no knowledge of instances, either in the written word or photograph, where animals of any type are allowed there or are advertised as being there. Only people are shown as enjoying the Seven Mile Beach. I agree with the Mover that the Seven Mile Beach has become a place of relaxation for children, adults, for older persons, and this is seven days per week and, surely, people are there morning, noon and night. It is my opinion that animals, generally, are really a bit outstandingly incongruous with the atmosphere of bikini-clad females that one normally associates with the Seven Mile Beach in just about every photograph I have ever seen of it.

A horse is one of the larger animals. No one has to be told that by its mere size it can cause harm to an individual. I have not had complaints recorded as the Mover has in this particular area, but obviously there have been complaints. I received a letter from a manager of a condominium on Seven Mile Beach, and I think all Members of the House have received such a letter, speaking about the question of horseback riding and the threat which it poses to people of being hit by a horse. I have heard of problems of another animal, namely, dogs on the Seven Mile Beach, which has caused great concern - letters in the press, articles in the press, editorials. I do know Government has taken steps to prohibit wild dogs, or so they are termed. I do not know if they are wild as one understands wild, but I have heard of one instance of a dog being there with a family but the dog was the more unfriendly type that took after a young child. Fortunately the child was not bitten by the dog.

It appears to me that it is a question of what do we preserve or allow to happen on the beaches. Are we going to allow horses or we are going to allow people there? If we are going to allow people there, which seems to be the chief purpose for which we use the beach, then allowing horses there is incongruous to that situation. Of course, one can handle a motor car recklessly or a bicycle recklessly. There is the argument that a horse may be ridden on the Seven Mile Beach by someone who rides that horse in a careful manner. Surely, there are those who would ride a horse there otherwise. It is my opinion that is the type of situation which the Motion seeks to guard against.

The restriction of hours and days when one can ride a horse there seems to be going the extra mile. I think there is either going to have to be a situation where horses are going to be allowed to be ridden on the Seven Mile Beach, and the country takes the chance of any damages they may cause, or they are not going to be allowed there. By restricting hours and days one is then calling upon the persons who ride horses there in an unsafe manner to remember what hour and what day. Normally those types of people do not pay too much attention to that type of thing.

It is good to report incidents to the police. This does happen in the country. But I believe the lack of reporting incidents is because there is in this country a feeling of intimidation

in lots of instances. And reporting incidents where someone may see a horse being ridden dangerously would fall within such consideration. The public may be appealed to... and I believe the public does respond, generally, in reporting problems in the community, but I believe this Motion puts forward the public's case. Perhaps the best place it can be put is here in this Legislative Assembly where Members have the opportunity of speaking for it pro or con.

My feeling on the matter is that because the beach is preserved as a means of attracting tourists, one of the main tools used in the selling of the concept of relaxation in the Cayman Islands, it should be preserved for people, and that no harm at all is done if there is a prohibition of horseback riding on the beach.

Thank you.

**MR. PRESIDENT:** Does any other Member wish to speak? [pause] In that case, would the Mover wish to exercise his right of reply?

**MR. JOHN B. McLEAN:** Thank you, Mr. President. I would like to thank the Member who spoke for his contribution to the Motion. I would like to thank those who did not speak for their three S's - Silent Signal of Support - which I look forward to.

Just to comment briefly on a couple of things which were said by the Member representing Government. I am aware that years ago horseback riding was done on the beaches, but we have to look at that from a couple of points of view: We had no roads at that time which were suitable; also, we did not have many tourists. So I really cannot buy that one as an example. Also, I must say I am aware of what is in the Towns and Communities Law, but the fees mentioned in that Law, to my way of thinking, would even be a waste to take someone to court for.

On the matter of regulating the hours. I see that as being a tough exercise because I believe, especially on the Seven Mile Beach, you will find persons enjoying that beach almost any time you travel there. So as far as coming up with special hours, I think that is going to rub somebody one way or the other. It is either we are going to prohibit horseback riding, or we are going to let it continue until someone gets killed. I feel I have done my duty. I have brought a Motion and put forward my views and I now leave it to the vote of the House.

Thank you, Sir.

**MR. PRESIDENT:** The question is Private Member's Motion No. 24/89. I shall put the question. Those in favour please say Aye...Those against No.

**AYES AND NOES.**

**MR. PRESIDENT:** A division, please, Clerk.

**CLERK:**

**DIVISION NO. 26/89**

**AYES: 8**

Mr. W. McKeeva Bush  
Mr. John D. Jefferson, Jr  
Mr. Truman M. Bodden  
Capt. Mabry S. Kirkconnell  
Mr. Gilbert A. McLean  
Mr. Roy Bodden  
Mr. Franklin R. Smith  
Mr. John B. McLean

**NOES: 7**

Hon. Thomas C. Jefferson  
Hon. Richard W. Ground  
Hon. J. Lemuel Hurlston  
Hon. W. Norman Bodden  
Hon. Benson O. Ebanks  
Hon. D. Ezzard Miller  
Hon. Linford A. Pierson

**MR. PRESIDENT:** The result of the division is eight Ayes, seven Noes. The Motion is therefore passed.

**AGREED BY MAJORITY: PRIVATE MEMBER'S MOTION NO. 24/89 PASSED.**

**MR. PRESIDENT:** We move to Private Member's Motion number 25/89, the Elected Member for East End.

**PRIVATE MEMBER'S MOTION NO. 25/89**

**AMENDMENT TO SECTION 2(c) OF THE TRAFFIC (AMENDMENT) (NO.6) REGULATIONS, 1978**

**MR. JOHN B. McLEAN:** Mr. President, I beg to move Private Member's Motion number 25/89, Amendment of section 2(c) of the Traffic Amendment (No.6) Regulations, 1978. It reads:

"WHEREAS it is considered that the application of a tint on windscreens and windows maintains the internal condition of automobiles;

AND WHEREAS automobiles with manufactured tinted glass windscreens and windows have been brought into these Islands;

AND WHEREAS there are persons who own automobiles that do not have manufactured tinted glass and who are desirous of protecting the interior of their vehicles;

AND WHEREAS under the Traffic (Amendment) (No.6) Regulations, 1978, there are restrictions against the application of any such device on windscreens or windows of any road vehicle;

BE IT NOW THEREFORE RESOLVED THAT the Governor-in-Council be requested to amend section 2(c) of the Traffic (Amendment) (No.6) Regulations, 1978, in order to allow a degree of tint which does not obstruct vision, but which would provide a protective shield to the interior of automobiles so that everyone may enjoy the same privilege."

**MR. W. McKEEVA BUSH:**

I second the Motion, Mr. President.

**MR. PRESIDENT:**

Private Member's Motion number 25/89 has been duly moved and seconded. Would the Mover wish to speak to it?

**MR. JOHN B. McLEAN:**

Mr. President, I have always felt the Law and Regulations on the matter of application of tint to the glass windscreen and windows of automobiles in these Islands was setting a double standard and I disagreed with it from the beginning. I have questioned it on more than one occasion. That is why I decided to move a Motion. Let me make it abundantly clear, lest I be misunderstood, I am in no way advocating that tint of dark shades or tints which would in any way block one's vision, be allowed to be placed on the windows of vehicles. I am speaking of light or mild shades, whichever it may be called, that would not deter one's vision and would be protective to their automobile. Let me say further that I am not thinking in terms of the type one would consider which if applied to the vehicle would turn the vehicle, what they term, fancy. I am strictly thinking of what would assist an individual to improve one's comfort and most important, and in some cases it is correct to assist one with their health.

I need not tell the Members of this Honourable House of the temperatures we experience in these Islands, because on the average day once you are outside you must be prepared to experience the heat. It is a known fact that there are several persons on these Islands who suffer severe eyesight defects. For those it is most important that as far as possible, the heat, dust and sun's rays be deterred, especially while they are in their automobiles. I am aware that some special concession has been given to those individuals, but this brings me back to my argument that there should not be double standard laws on our books.

I will also cite the restrictions as being very unfair. What I mean by unfair is that I believe that everyone in these Islands should be equal. What is happening today to the individual who can afford an automobile with factory tint, is that there is nothing done about it because nobody can go around smashing windows. But another individual who wishes to have tint placed on the windows of his or her automobile is denied the right. To me this is most unfair. In doing some research on tint placed on automobiles, it is my understanding that reputable companies, like Ziebart, are now offering tint (among other protective materials) for vehicles. It is my understanding that this type of tint has been approved by most traffic authorities throughout the United States and most countries where this company exists.

I have agreed to amend the resolved section of the Motion to give the authority to Executive Council to amend section 2(c) of the Traffic Amendment, to show that, once again, we were prepared to work along with the Government and, of course, the police so they could be satisfied that whatever was approved would be favoured by them. It was my hope that by today I would have had other technical information which I have sent for from a few automobile manufacturers abroad, but, unfortunately, that did not arrive. I have spoken to the Third Official Member on the matter. I would say he and I have worked quite closely on this Motion trying to work up a happy medium for both Government and myself. When I receive that information I will, no doubt, be passing it on to him.

Once again, I would like to say that I have done my work on this. I have discussed this matter with the Member responsible and the Commissioner of Police, and what we have here is what I consider was agreed on by the parties concerned. I believe if the tint I have suggested is allowed, it will be making our people enjoy a feeling of equality. Again, I am going to ask all Members to offer their support to this Motion.

Thank you.

**MR. PRESIDENT:**

The Honourable Third Official Member.

**HON. J. LEMUEL HURLSTON:**

Mr. President, I rise to speak to Private Member's Motion number 25/89, entitled, Amendments to section 2(c) of the Traffic Amendment (No. 6) Regulations, 1978. The



former president of Chrysler Corporation once said that knocking our heads together did not make sense, but putting them together did. I believe this resolution is the result of two Members of the Legislature putting their heads together and coming up with something the Government is comfortable in agreeing to. The resolution calls for the Governor-in-Council to be requested to amend section 2(c) of the Traffic Amendment (No. 6) Regulations 1978, in a way as to allow a certain degree of tinting which does not obstruct vision to automobiles.

A little bit of history from the stand point of the police was that back in 1978, as a result of concern expressed by the police over the increasing numbers of thermo-shield plastic sheeting on vehicle window glass, an amendment was made to Regulation 25 of the Traffic Regulations, 1973, and the Regulation provided that any device applied to the windscreen or any window of any road vehicle whereby the transparency thereof in either direction is diminished was declared to be unsafe unless it is part of the maker's standard equipment or is specifically approved by the Governor-in-Council.

There are a number of valid reasons why the use of this material to reduce transparency is not welcome, apart from the fact that it was never designed or intended to be used on vehicle window glass in the first place. For example, in 1977 the International Association of Chiefs of Police in the United States passed a resolution recommending to the National Committee of Uniform Traffic Law and Ordinances the adoption of an ordinance forbidding the application of any material, other than properly authorised stickers, to the window glass of any vehicle while being operated on a public highway. I would just like to read into the records the content of that resolution. It reads:

"WHEREAS the application of reflective materials with one way transparency to vehicle windows and the use of very dark window glass substantially reduces a driver's ability to see through such windows.

WHEREAS a vehicle driver with vision restricted by excessively shaded glass is severely limited in assessing lane changes in emergency situations, and

WHEREAS excessively shaded windows reduce driver visibility rear ward during backing maneuvers and a particular hazard is posed to pedestrians in the vicinity of such vehicles during hours of darkness and,

WHEREAS reflective material applied to vehicle windows reflects sunlight and/or headlights into the eyes of other drivers under some conditions, rendering them instantly and totally unable to see, and

WHEREAS law enforcement officers are denied a clear view of the interior of such vehicles upon approaching them and their safety is therefore compromised.

THEREFORE, BE IT RESOLVED that the International Association of Chiefs of Police recommends to the National Committee on Uniformed Traffic Laws and Ordinances the adoption of a provision forbidding the application of any material other than properly authorised stickers to the window glass of any vehicle while being operated in the public highway."

There are a number of other factors involved in this issue. For example, at a four way stop system operating depends to a large degree for its safety and efficiency on eye contact and hand signals made by the drivers from inside vehicles. Two such hand signals are illustrated on pages 13 and 14 of the Road Code. A police officer directing traffic needs to make eye contact with drivers, and from a safety and crime prevention aspect, especially where the unlawful possession and use of drugs is concerned, a situation where the driver and occupants of a vehicle cannot be easily seen and identified is obviously undesirable in the extreme.

We know in Cayman trends are adopted and followed locally very quickly. On several occasions the Traffic Department in the past has had to mount intensive campaigns following an outbreak of the use of darkened vehicle window glass, or tint, as it is sometimes called, in these Islands. It is also unfortunate, too, that reference to the manufacturers standard equipment referred to in the Regulation was intended to refer to the use by some American car manufacturers of a narrow strip of properly tinted glass at the top of the vehicle windscreens. The feature is not used on many vehicles these days. So the difficulty is in determining what was meant by standard, so far as tinted glass was concerned.

It should be pointed out that properly tinted glass is preferable to the use of thermo-shield plastic sheeting. It is felt that in order to provide a compromise whereby manufactured tints of a limited degree of intensity could be allowed for the reasons ably presented by the Mover of the Motion, it is felt the Governor-in-Council should be given an opportunity to reexamine this matter more closely and to try to adopt an agreement and a form of enforcement which will be acceptable to the Caymanian community; in addition, and more importantly, acceptable to the law enforcement agencies in the Cayman Islands. Therefore the Government is very happy to accept Private Member's Motion number 25/89.

**MR. PRESIDENT:**  
the Mover wish to reply?

Does any other Member wish to speak? [pause] If not would

**MR. JOHN B. McLEAN:**

Mr. President, I guess there is not too much left for me to say

since my Motion has been accepted by the Government. I would just like to say thanks to the Member of Government who spoke on behalf of Government for his input on behalf of Government and the Police. Also for the silence from the other Members which I hope and trust will mean they will be giving their full support.

I would like, once again, to say that the Member and I worked closely together on this regulation which would allow us to put on extra dark shades or reflective material. I will say this once again for the listening public. and it has never been my intention to suggest that we have a  
Once again, I would like to thank all Members for their support.

**MR. PRESIDENT:** I shall put the question. Those in favour please say Aye...Those against No.

**AYES.**

**MR. PRESIDENT:** The Ayes have it.

**AGREED: PRIVATE MEMBER'S MOTION NO. 25/89 PASSED.**

### **ADJOURNMENT**

**HON. THOMAS C. JEFFERSON:** Mr. President, the business of this House being completed, I move the adjournment of this Honourable House until the 17th day of November, 1989.

**MR. PRESIDENT:** Perhaps before I put the question, the House would wish our customary gratitude to be recorded to the Clerk, the Deputy Clerk, the Serjeant-at-Arms, and everybody who looks after us so extremely well.

The question is that this Honourable House do now adjourn until Friday, the 17th of November, 1989, at 10 o'clock am. I shall put the question. Those in favour please say Aye...Those against No.

**AYES.**

**MR. PRESIDENT:** The Ayes have it. The House is accordingly adjourned.

**AT 4:13 P.M. THE HOUSE STOOD ADJOURNED UNTIL 10:00 A.M., FRIDAY, 17TH NOVEMBER, 1989.**



**FRIDAY  
17 NOVEMBER, 1989  
10:02 A.M.**

**MR. PRESIDENT:** Prayers by the First Elected Member for the Lesser Islands.

**PRAYERS**

**CAPT. MABRY S. KIRKCONNELL:** 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, the Queen Mother, Philip Duke of Edinburgh, Charles Prince of Wales, Diana Princess 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 Members of Executive Council and Members of the Legislative Assembly that they may be enabled faithfully to perform the responsible duties of their high office.

All this we ask for Thy great Name's sake, Amen.

Our Father, who art in Heaven, Hallowed be Thy Name, Thy Kingdom come, Thy will be done, in earth as it is in Heaven. Give us this day our daily bread: And forgive us our trespasses, as we forgive them that trespass against us: And lead us not into temptation; but deliver us from evil: For Thine is the Kingdom, the power and the glory, for ever 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 His countenance upon us and give us peace now and always. Amen.

**MR. PRESIDENT:** The Legislative Assembly is in Session. Papers. The Honourable First Official Member.

**PRESENTATION OF PAPERS AND REPORTS**

**THE DRAFT ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 1990**

**HON. THOMAS C. JEFFERSON:** Mr. President, I beg to lay on the Table of this Honourable House the Draft Estimates of Revenue and Expenditure for the year 1990.

**MR. PRESIDENT:** So ordered.  
Government Business. Bills. First Reading.

**GOVERNMENT BUSINESS**

**BILLS**

**FIRST READING**

**THE APPROPRIATION (1990) BILL, 1989**

**CLERK:** The Appropriation (1990) Bill, 1989.

**MR. PRESIDENT:** A Bill entitled, The Appropriation (1990) Bill, 1989, is deemed to have been read a first time and is set down for Second Reading.

**SECOND READING**

**THE APPROPRIATION (1990) BILL, 1989**

**CLERK:** The Appropriation (1990) Bill, 1989.

**MR. PRESIDENT:** Second Reading. The Honourable First Official Member.

# THE BUDGET ADDRESS

AS PRESENTED BY THE HON. THOMAS C. JEFFERSON, O.B.E., JP

**HON. THOMAS C. JEFFERSON:**

Mr. President, as we are at the dawn of a New Decade - the 1990s - and approaching the year 2000, there is no better time to deal with the inevitable changes which will arise in the economy. In presenting this Budget Address, a more comprehensive analysis of our economic performance during the 80s will be the focus as I move the Second Reading of the Appropriation Bill (1990) 1989. This is setting precedential ground for future addresses; and on this occasion as well, I may come closer to the usual four hour limitation for other speeches in this Honourable House.

Mr. President, my presentation will focus on the growth performance in the economy for the period 1983-1988, but before I do so I would like to sketch some of the main developments in the world economy as a background to my review and assessment of growth in the local economy during the 1980s. There are two reasons for this approach. The first is that like all small economies, growth in the Cayman economy is affected both directly and indirectly by world economic conditions. On the one hand, growth expansion in the world economy has a positive influence on growth in the Cayman economy. On the other hand, global recessionary conditions and other instability in the world economy have a negative impact on the local economy. The impact of these influences are sometimes instantaneous, but sometimes they are delayed through time.

The second reason is that as we approach the 1990s, we must assess the strengths and weaknesses in our own economy during the 1980s, in order to better equip ourselves for the challenge of uncertainty on the economic front that will confront us during the 1990s.

Given these considerations, Mr. President, my presentation will first give a brief overview of some of the main developments in the world economy during the 1980s, with particular reference to conditions in the developed market economies, and how these developments affected the local economy. Second, against this background, I will review and assess our own growth performance over the past few years, and will also point to some of the major development policy issues that this assessment raises. The final section will present a medium-term view of growth prospects and some medium-term development priorities.

## I. OVERVIEW OF MAIN DEVELOPMENTS IN THE WORLD ECONOMY, 1980-1989

### 1.1. Prolonged Global Recession: 1980-1982

Mr. President, at the beginning of the 1980s, the industrial economies experienced prolonged recession with inevitable consequences for developing economies including the Cayman Islands.

World Bank statistical data suggest that growth in world real output fell from 3.5 percent in 1979 to 1.9 percent in 1980 and by 1982 growth had virtually ceased (0.1%). In the industrial economies growth in real output fell from 3.5 percent in 1979 to 1.3 percent in 1980, and by 1982, growth was actually negative (-0.1%). Inflation reached a historical high of 11.9 percent in 1980.

In the developing countries, real output growth which averaged 4.6 percent in 1979 fell to 3.3 percent in 1980 and from 3.3 percent in 1980 to 0.1 percent in 1982. Inflation grew from 20.5 percent in 1980 to 25.2 percent in 1982.

In the Cayman Islands, the global recession had a pronounced negative effect on the economy. The inflation rate reached 14 percent in 1981, the highest since the 1974 rate of 27.9 percent. The dramatic growth in the inflation rate was accompanied by a fall-off in visitor demand for the Islands' tourism product. Stay-over visitor arrivals fell from 29.9 percent in 1977, to 19.5 percent in 1980 and to a negative 2.7 percent in 1982. Visitor expenditure which grew by 59.8 percent between 1978 and 1980, fell dramatically to 25.9 percent between 1980 and 1982. Undoubtedly, the global recession which so adversely affected the Cayman economy during that period was aided and abetted by the 1979-1980 round of oil price increases by the OPEC countries.

Although the recession did not directly cause the global debt crisis in 1982, it brought the debt crisis dramatically to the surface. Developing countries which had accumulated large external debt in the 1970s suddenly found it difficult to meet abrupt increases in debt service payments in conditions characterised by high real interest rates, exchange rate uncertainty, falling terms of trade, weakened commodity prices, stagnating world trade volumes and protectionist pressures. One immediate consequence was painful structural adjustment in most of these economies.

Not being a debtor country, the debt crisis did not directly affect the Cayman economy. The impact was indirectly in terms of the changes in international banking practices directly resulting from the debt crisis. There were several of these changes. From the point of view of the Islands as an international commercial banking center, perhaps the most significant were the changes in banking regulations. Banking supervisors in industrial countries sought in a variety of ways to ensure that commercial banks and their offshore branches (including those in the Cayman Islands) became more prudent in their lending to developing countries and balance sheet management. Some of these ways include assessment of capital adequacy to ensure that banks have enough capital to meet potential losses; closer monitoring of liquidity and solvency ratios; asset diversification aimed at avoiding any undue concentration of lending risk; loan-loss provision; and broader criteria for new loan provisions. These changes were in addition to IMF and World Bank Conditionalties on official borrowing by developing countries (e.g., prudent fiscal management, privatisation

of state-owned enterprises, exchange-rate adjustment, reduction in the size of the public sector, elimination of state subsidies, and better assessment of the economic and financial viability of public sector projects, etc.).

## **1.2. Global Economic Recovery: 1983-1984**

Although still beset with many problems, the world economy took a decided turn for the better in 1983. The recovery of growth in the industrial economies in 1983-1984, IMF-inspired policy adjustments by many developing countries, and flexibility by the international commercial banks in dealing with the debt crisis all helped to calm the atmosphere of crisis.

However, the resumption of growth in the world economy in 1983-1984, (2.8% in 1983 and 4.5% in 1984) was concentrated mainly in the industrial countries. Their growth, which had averaged 1 1/2 percent in 1980-1981, and had actually been negative in 1982, accelerated to a rate of 2 1/4 percent in 1983, and 4.8 percent in 1984. Inflation which had reached a historical high of 11.9 percent in 1980, fell to under 5 percent for the first time in a decade.

The turnaround in economic activity in the industrial countries spread to the developing countries only with a lag. Nevertheless, developing countries' GNP grew by 4.1 percent in 1984, and the volume of their exports (despite increased protectionist pressures) increased by 8.9 percent compared with less than 4 percent a year in 1981 and 1982. The balance of payments of non-oil exporting developing countries, which had been seriously affected by the combined effects of increases in oil prices, very high interest rates, and global recession, returned to a more sustainable level. However, inflation rose from 25.2 percent in 1982 to 38.2 percent in 1984 in the developing countries as a whole.

In terms of the Cayman Islands, the post-recession recovery in the industrial countries had a relatively positive impact on the local economy. The economy grew by 6.8 percent in real terms; and the inflation rate which rose to 14 percent in 1981, fell to 5 percent in 1983, and further to 3.4 percent in 1984. This was accompanied by resumption of relative growth in visitor demand for the Islands' tourism product. Stay-over visitor arrivals which showed a negative 2.7 growth in 1982, grew by a positive 7.9 percent in 1983 and 13.6 percent in 1984. However, visitors appeared to have remained conservative in their spending, for visitor expenditure remained at approximately the same level (25.5 percent) as it was in 1982.

## **1.3. Weakening Global Economic Recovery: 1985-1986**

The global economic recovery that began in the United States weakened between 1985 and 1986. After about two years of rapid growth in the United States and moderate growth in the other industrial countries, the pace of recovery slackened in 1985. IMF statistics indicate that real output rose from a negative 2.5 percent in 1982 to a positive 3.3 percent and 6.8 percent in 1983 and 1984 respectively. Compared to 1983 and 1984, real output grew by 2.7 percent in 1985 and 2.5 percent in 1986. Taking the industrial countries as a group, real output peaked in 1984 at 4.9 percent, then slowed to 2.8 percent in 1985 and 2.5 percent in 1986. World output therefore slowed from 4.5 percent in 1984 to 3.4 and 3.2 percent in 1985 and 1986 respectively.

For the developing countries, growth in output followed a similar pattern. Growth picked up after 1982, reaching its peak in 1984 at 5.1 percent. But a downturn in commodity export prices in 1985, combined with restricted capital flows and a marked slowdown in the growth of world trade, made it difficult for developing countries to sustain this performance; their growth fell to 4.8 percent in 1985 and to 4.2 percent in 1986.

Against this background two positive features stood out. The first was that the average rate of consumer price inflation in the industrial countries declined from 7.5 percent in 1982 to 2.3 percent in 1986. Inflation rates in the developing countries also fell, from the high 38.2 percent in 1984 to 31 percent in 1986. Overall, global inflation declined from 13.7 percent in 1984 to 8.5 percent in 1986. The second was that some of the major industrial countries succeeded in reducing their fiscal deficits. The overall deficit fell as a percentage of GNP in the seven major industrial countries from 5.4 percent in 1983 to 4.6 percent in 1986, and thus provided more room to stimulate demand and expand growth.

In terms of the Cayman Islands, the slow down in global economic recovery was transmitted to the local economy. Real growth which averaged 6.8 percent between 1983 and 1984 fell to 2.0 percent in 1985, and the fall in inflation slowed to 1.1 percent in 1985. Growth in visitor arrivals which was 13.6 percent in 1984 was a negative 2.3 percent in 1985, and visitor expenditure growth which averaged 25.5 percent in 1984, fell to 9.3 percent in 1986, indicating an overall slowdown in visitor demand for the Islands' tourism product.

## **1.4. Current Global Economic Conditions: 1987-1989**

Mr. President, the period 1987-1989 has been a period of buoyant growth in the world economy, and consequently robust growth in the Cayman economy. Estimates from the most recent IMF economic statistics indicate that world output expanded by 3.2 percent in 1987, by 4.1 percent in 1988, and by 3.3 percent in the First Quarter of 1989. The 4.1 percent growth in 1988 was the highest since 1984. The buoyancy of growth in the world economy was remarkable in five respects:

1. It followed upon the global stock market correction of October 1987;
2. It occurred at a relatively late stage of the expansion that began in 1983, and which is now exceptionally long by historical standards;

3. It has been accompanied in most countries by only slight increases in inflation;
4. It has occurred without generalised support from fiscal policies in the industrial countries, and not withstanding the tightening of monetary policies in these countries; and
5. It has been based on a sharp expansion of business investment and rapid productivity growth.

At the same time, however, individual countries did not share equally in the expansion of growth as might have been expected, though growth in economic activity was strong in most of the industrial countries. Taking the industrial countries as a whole, output grew from 3.4 percent in 1987 to 4.1 percent in 1988, and by 3.3 percent in the First Quarter of 1989. The strength of the growth reflected a favourable trade-off between consumer demand, output and inflation. With inflation in the industrial countries increasing only marginally (2.9% in 1987; and 3.2% in 1988) and remaining quite moderate by the standards of the 1970s and early 1980s, the strengthening of consumer demand growth in 1987-1988 translated almost fully into higher output growth.

In contrast, the developing countries, particularly those with continuing debt-servicing difficulties, experienced a moderate slowdown in growth, while their inflation performance deteriorated sharply. Growth in developing economies was 3.3 percent in 1987 and 4.3 percent in 1988 compared to 4.8 percent in 1985 and 4.2 percent in 1986. Inflation rose from 31.1 percent in 1986 to 40.5 percent in 1987, and 67.1 percent in 1988, and by the end of the First Quarter in 1989, inflation had already reached 45.5 percent.

In contrast to its effect on growth in most of the developing countries, the expansion of growth in the developed countries appeared to have had a very strong positive influence on growth in the Cayman economy. Growth which fell in real terms to 2.0 percent in 1985, expanded by 9.8 percent in 1986, and by 12.1 percent in 1987. Stay-over visitor arrivals which had a negative 2.3 percent growth in 1985 expanded by 14.5 percent in 1986, and by 26 percent in 1987. Overall, visitor arrivals which grew by 8.2 percent in 1986, expanded by 22.3 percent in 1988. Visitor expenditure growth which slowed to 9.3 percent in 1986, expanded by 28.4 percent in 1987, and by 26 percent in 1988. However, inflation which bottomed out at 2.3 percent in 1985 rose to 5.2 percent in 1988.

## **SUMMARY AND CONCLUSIONS**

Mr. President, the preceding overview of growth in the world economy during the 1980s suggests that when the developed economies experience strong growth, the Cayman economy tends generally, to perform well. The opposite appears to be true as well, when the developed economies experience a downturn in growth.

The main reason that our own economic performance was so strongly influenced by the rise and fall nature of growth in the world economy, and the developed countries in particular, is that though very small, during the 1980s, our economy became more strongly linked into the developed market economies through growth in tourism, and financial services, as well as through our import trade in goods and human services.

Second, growth in the developed economies creates the external environment for our own economic performance. The fact is, Mr. President, the Cayman Islands are a very open and dependent economy. This is to say that there is a constant inflow and outflow of people, goods, services and money, and there is an on-going dependence on the developed economies for virtually all the Islands' basic needs, and also goods and services to meet the demands of tourists.

Third, our overall economic performance is dominated by movements in the foreign price level of the goods we import, interest rates and exchange rates movements, foreign investments, and human capital importation.

Mr. President, given this overview of developments in the world economy during the 1980s and how they impacted on the Cayman economy, as well as the lessons drawn therefrom, let us now examine the economy's growth performance in more detail.

## **II. REVIEW AND ANALYSIS OF GROWTH PERFORMANCE IN THE CAYMAN ECONOMY, 1983-1988**

### **1. POPULATION CHANGES**

#### **1.1. Composition and Growth of the Population**

Mr. President, no accurate count of the present size and composition of the resident population is currently available. The last Census was undertaken in 1979, 10 years ago; therefore, an up-to-date count of the population will not be available before the 1989-1990 Census is completed and the results made available, and I am pleased to say that this exercise is well underway. Our knowledge of the current size and composition of the population is at best crude estimates, therefore the figures I will present should be accepted accordingly.

##### **1.1.1. Demographic Composition**

The resident population comprises native Caymanians, permanent residents "with status",

permanent residents "without status", and expatriates and their families.

### 1.1.2. Demographic Growth Changes

Present estimates suggest that overall, the total end-of-year population grew from 19,300 in 1983 to 25,900 in 1988, reflecting a six year growth of 34.2 percent. On an annual basis 1986 was the year of the lowest growth (2.4%), and 1987 the year of highest growth (10.6%), reflecting an average annual rate of growth of 6.1 percent.

On a disaggregated basis and for analytical convenience, I will refer to Caymanians (to include native Caymanians, plus permanent residents "with status" and non-Caymanians to include permanent residents "with-out status" and expatriates). Growth in the Caymanian segment of the population averaged 2 percent annually between 1983 and 1986, and 2.6 percent annually between 1987 and 1988, suggesting an average annual rate of growth of 2.2 percent. The total Caymanian population grew from 14,700 in 1983 to 16,400 in 1988, suggesting a six year overall growth of 11.6 percent. Growth in the smaller sub-segment of the Caymanian population comprising permanent resident "with status" was low and stable in absolute terms but actually grew at an average annual rate of 10 percent in relative terms.

In contrast, the non-Caymanian segment of the resident population grew from 4,600 in 1983 to 9,500 in 1988, an overall increase of 106.5 percent. Years of highest inflows have been 1984 (19.6%); 1987 (31.7%); and 1988 (20.3%); reflecting an average annual rate of growth of 16.1 percent. The expatriate sub-segment of the non-Caymanian population grew from 4,300 in 1983 to 9,000 in 1988, a six year overall growth of 109.3 percent. Years of highest inflows of documented expatriates have been 1984 (20.9%); 1987 (32.1%); and 1988 (21.6%); reflecting an average annual growth of 16.4 percent. The smaller segment of the non-Caymanian population comprising permanent residents "without status", remained relatively low and stable in absolute terms over the six years, but actually grew at an average annual rate of 11.7 percent. Years of highest inflows have been 1986 (33.3%), and 1987 (25.0%).

In terms of the numerical growth relationship between the Caymanian and the non-Caymanian segment of the population, while the Caymanian segment remained far larger than the non-Caymanian segment in absolute terms, the size of the Caymanian segment relative to the size of the non-Caymanian segment declined from 76.2 percent in 1983 to 63.3 percent in 1988 whereas the relative size of the non-Caymanian segment increased from 23.8 percent in 1983 to 36.7 percent in 1988. The resulting trend suggested by these changes is a gradual fall in the ratio of Caymanians to non-Caymanians in the population from 8:2 in 1983 to 6:4 in 1988.

Out-migration does not seem to explain, even partially, the observed decline in the size of the Caymanian segment of the population during the 1980s. With the exception of 1986 when net migration was about 100, net outflow of Caymanians was zero in all other years. At the same time net inflows of documented non-Caymanians increased from 3.0 percent of the total non-Caymanian resident population of 4.6 thousand in 1983 or 30 persons per thousand non-Caymanian resident to 7.3 percent of the total of 9.5 thousand in 1988 or 73 persons per thousand non-Caymanian resident.

Mr. President, a low and steadily declining birth rate in the indigenous population is the principal causal and direct reason for the observed decline in the Caymanian segment of the overall population. During the 1980s, the native Caymanian population increased at a decreasing rate. The birth rate began to fall from between 1979-1982, and from 1983 a marked downward trend has emerged. Between 1983 and 1988 the total number of live births in the indigenous population declined from 284 to 264 in absolute terms. In terms of the birth rate, the number of live births steadily declined from 19.3 per thousand Caymanians in 1983 to 16.1 in 1988, and the average birth rate for the period was about 18 per thousand. The average birth rate over the 10 years (1979-1988) was 17 per thousand.

Mr. President, on the surface these estimates would appear to suggest no more than that the native Caymanian population has declined over the past 5 to 6 years and that the explanation is a gradual fall in the birth rate. This information would be adequate if that is all we should be concerned about. From a policy standpoint, we should ask what estimates of the observed decline in the birth rate during the 1980s can tell us about likely future changes in the age structure of the indigenous population. We are not presently in a position to answer this question with a high degree of certainty. Nevertheless, using information on the population-age distribution from the 1979 Census, we can project two scenarios about the future changes in the age structure of the indigenous population on assumptions of a declining birth rate and a constant death rate. One scenario suggests that if the birth rate declines over the next 15 years as it has over the past 5 to 6 years, holding the death rate constant, by the year 2005, 43.4 percent of the indigenous population will be 55 years and over, and by the year 2010, 52.1 percent will be 55 years and over. The second scenario suggests that if the birth rate declines over the next 20 years as it has over the past 10 years, by the year 2005, 52.1 percent of the indigenous population will be 55 years and over, and by the year 2010, 61.3 percent will be 55 years and over. Mr. President, the margin of error in these estimates range from 5 to 8 percent suggesting that these are only rough estimates. Nevertheless, they do suggest the likelihood of a significant shift in the age composition of the Caymanian segment of the population towards a higher proportion of more mature adults - in terms of age, and that this would have major implications for the health system, social services, and the labour force.



## 2. ECONOMIC ACTIVITY

### 2.1. Macroeconomic (Overall) Growth Performance

Mr. President, we turn now to the question of economic performance. Broadly, the Cayman economy, like most free-market economies, comprises a domestic sector and an external sector. These are not two separate and distinct sectors; they overlap in every respect by the nature and type of economic activity and business transactions. The domestic sector consists of internal economic and business activities concentrated around tourism and financial services, wholesale/retail trading, professional business services, transportation/communication, agriculture, construction, small-scale manufacturing, and government services. The external sector consists of the various trading activities daily undertaken between these sectors and the rest of the world, as reflected in the balance of payment account.

Overall performance of an economy of this type is judged by four broad indicators: the growth rate of output, employment, the inflation rate, and the state of the balance of payments. Our current knowledge of the performance of the economy in these four areas is not as refined as it can, and should be. With the publication in March of the first set of National Accounts and balance of payment Statistics for 1983-1987, we have made a good start, they are the best estimates we have to date of the economy's performance. Much more needs to be done however, particularly in compiling, fine-tuning and publishing these statistics annually.

#### 2.1.1. Gross Domestic Product (GDP)

The rate of growth in an economy like ours in which foreign investment plays the larger role is measured by the gross domestic product (GDP). GDP measures the value of "final goods and services" produced within the economy within a given year. Final goods and services are the goods and services consumed and invested by residents as well as those exported. GDP is the value of all the economy's output minus the value of all its inputs. The resulting difference is GDP at market prices.

The growth rate of the economy is the rate at which real GDP (i.e., GDP in current prices adjusted for the effects of inflation) is increasing. Mr. President, in real terms, the economy has grown rapidly over the past 5-6 years. In 1983, GDP was \$235 million, and in 1987 GDP was \$314 million, an overall increase of 33.6 percent, in real terms.

The pattern of growth in the economy during the 1980s appeared to have generally followed the pattern of growth in the world economy. As indicated earlier, the world economy recovered in 1983-1984 from the recession in 1980-82, the recovery slowed in 1985-1986, and 1987 to 1989 has been a period of buoyant growth. Growth in the local economy expanded by 6.8 percent in 1983-84 but slowed markedly to 2 percent in 1985. The economy expanded from the low 2 percent growth in 1985 to 12.1 percent growth in 1987, reflecting an estimated average annual rate of growth of 7.6 percent during the 1980s. On both the overall and the average annual bases, the local economy appeared to have grown in real terms at roughly the same pace as the rate of growth in the population.

Therefore, per capita income remained fairly stable in absolute terms, expanding from \$12,100 in 1983 to \$13,200 in 1987. However, in relative terms per capita incomes did fluctuate widely on a year-by-year basis. In 1983-84, per capita income grew by about 1 percent; growth was a negative 0.8 percent in 1985; bounced back to show a 7.4 percent growth in 1986; but slowed to 1.5 percent growth in 1987. Overall, per capita income expanded at an estimated average annual rate of 2.2 percent during the 1980s. Per capita real income was 9.1 percent higher in 1987 than in 1983.

During the 1980s about 12 identifiable sectors emerged in the economy. These are Agriculture and Fishing; Quarrying; Manufacturing; Electricity, Gas and Water; Construction; Wholesale and Retail Trade; Tourism Services; Transport and Communication; Financial Services; Professional Business Services; Government Services; and Personal Services. The largest contributors to overall growth in the economy in order of the magnitude of their relative contribution to real GDP have been Professional Business Services, Wholesale and Retail Trade, Tourism Services, Financial Services, and building Construction.

These five sectors together accounted for approximately 70 percent of the growth in real GDP between 1983 and 1987. The professional business service sector was the single largest contributor, averaging around 17 percent annually from 1983 to 1987, followed by wholesale and retail trade, (15.1 percent on the average). The contribution of financial services averaged 13.6 percent annually increasing from 13.2 percent in 1983 to 14.7 percent in 1987. The net real (value added) contribution of tourism fluctuated around an average of 14.5 percent during the 1980s reflecting the traditional "ebb and flow" of tourism in response to world market conditions. Tourism's net real value added grew from \$28.6 million in 1983 to \$53.7 million in 1987, an overall growth of 87.8 percent, or a movement from 11.9 percent of real GDP in 1983 to 17.2 percent in 1987. The contribution of the construction sector averaged approximately 10.0 percent, but this sector's contribution declined from 13.2 percent in 1983 to 8.0 percent in 1987.

Mr. President, what these estimates seem to suggest is that whereas tourism and financial services remain strong growth sectors in the economy, professional business services and wholesale and retail trading were two of the most buoyant growth sectors during the 1980s. These estimates are also instructive, Mr. President, if one assumes that the strength of the growth in the professional business service and the wholesale and retail trading sectors can be partially attributed to the existence of the tourism and financial service sectors. If this assumption is correct, then one may draw the conclusion that tourism and financial services may have become more integrated with the rest of the economy during the 1980s.

## 2.2. Employment

Mr. President, the unemployment rate is another key conventional indicator of macro-economic performance. However, the general view in the Cayman Islands is that there is no "overt" unemployment, since everybody who wants work and is willing and able to work, can find work and is in fact working. Therefore, unlike most other economies - small and large - in which significant overt unemployment exists, in the Cayman Islands, the employment rate is the relevant measure of overall economic performance. The employment rate tells us the percentage of the total (noninstitutionalised) population of working age employed in the labour market within any given year or other time period.

The available estimates, Mr. President, suggest that with the exception of 1985 when the employment rate dipped to about 48 percent, it remained a steady 54 percent throughout the 1980s. Estimates of the employment rate for the Caymanian segment of the population suggest that this rate fluctuated around an average of 50 percent of the total (noninstitutionalised) indigenous segment of the population, while the employment rate for the non-Caymanian segment of the population averaged approximately 64 percent.

The overall employed labour force increased from 10,300 in 1983 to 12,800 in 1987, expanded at an average annual rate of about 6 percent, reflecting an overall increase of approximately 24 percent. In terms of the distribution of employment between Caymanians and non-Caymanians, while the absolute number of employed Caymanians remained substantially much larger than employed non-Caymanians, the percentage of employed Caymanians in the labour force declined from 73 percent in 1983 to 62 percent in 1987, whereas the percentage of employed non-Caymanians (as measured by year-end figures on holders of work permits) grew from 31 percent in 1983 to 40 percent in 1987. This reflects a decline in the employment ratio of from 7:3 in 1983 to 6:4 in 1987, which closely approximates the ratio in the population.

The Caymanian segment of the employed labour force grew from about 7,496 in 1983 to about 7,879 in 1987, an overall increase of 5.1 percent, and an average annual rate of increase of 1.3 percent. At the same time the non-Caymanian segment of the employed labour force (comprising mainly documented expatriate holders of work permits at the end of each year) grew from 3,204 in 1983 to 5,152 in 1987, an overall growth of 60.8 percent, and an average annual rate of growth of 13.5 percent.

Mr. President, two factors seem to explain the marked difference in the patterns of growth between the two segments of the employed labour force during the 1980s. One is that with aggregate growth averaging about 8 percent annually in real terms during the 1980s, labour demand grew at an average annual rate of 6 percent. In other words, approximately 24 percent more jobs were created in the economy during the years 1983-1987 requiring new labour. At the same time, assuming the labour market is a level ground for both Caymanians and non-Caymanians, the amount of Caymanians that were available to take up the new jobs created grew at an average annual rate of only 1.3 percent. In other words, while 24 percent more new jobs were created in the economy between 1983 and 1987, only 5.1 percent more Caymanians were available to fill them. In short, the rate of new job creation in the economy during the 1980s far outpaced the rate at which Caymanians were available to fill them.

This pattern of growth between the rate of new job creation and the rate of supply of Caymanian workers reflects the growth in the labour market's dependence on expatriate labour to fill the vacancies that Caymanians were not available in sufficient numbers and quality to fill. The fact is that high real rate of growth in an economy with an insufficient quantity and quality of native labour will fuel growth in the demand for expatriate labour.

Mr. President, on the assumption that the growth in the demand for expatriate labour is a reflection of the inadequacies in the supply of Caymanian labour, statistical data on the number of work permit holders by occupation at the end of each year provide fairly accurate information from which one can roughly infer the broad occupational categories in which the economy has not been able to generate the sufficient quantity and quality of Caymanians to satisfy the requirements of the labour market. In the professional occupational category, employer's satisfied demand for expatriate professionals increased from 741 in 1983 to 1,498 in 1988 in absolute terms. This reflects an annual average rate of growth in occupational demand of 16.2 percent or an overall growth in demand of 102.2 percent. In the skilled occupational category, employer's satisfied demand for skilled expatriate labour grew from 1,595 in 1980 to 2,420 in 1988 in absolute terms. This represents an average annual rate of growth in skilled labour demand of 8.8 percent or an overall growth in occupational demand of 51.7 percent. In semi-skilled and unskilled occupations, employer's satisfied demand expanded from 868 in 1983 to 2,026 in 1988 in absolute terms, reflecting an average annual rate of growth of 19.9 percent or an overall rate of occupational growth of 133.4 percent. These rough estimates, however, understate the "true" occupational demand for Caymanian labour in the economy since they are based on the amount of work permits granted.

It is also instructive to note that the growth in the demand does not appear to be slackening. For the first 3 months in 1989, the demand for professional labour increased a further 2 percent from 1,498 at the end of December 1988 to 1,527 at the end of March 1989; the demand for skilled labour increased a further 5.1 percent from 2,420 in December 1988 to 2,543 at the end of March this year; and the demand for semi-skilled and unskilled labour increased by an additional 7.8 percent from 2,026 at the end of 1988 to 2,185 at 31st March this year.

## 2.3. Inflation

Mr. President, all of us are affected by inflation. When inflation is low, we can buy more goods from a given amount of our dollars, and obviously when it is high we can buy less goods from that same given

amount of dollars. Inflation affects all prices: the prices of the things we buy, wage rates, salaries, interest rates and exchange rates. It therefore affects our living standards. It is one of the main sources of instability in all market economies since a change in the inflation rate sets off a whole series of changes across the economy. It is therefore a major focus of policy concern.

In the Cayman Islands, consumer price inflation remained relatively low for much of the first half of the 1980s. The annual increase in the Consumer Price Index (CPI) fell every year from 5.5 percent in 1982 to a historical low of 2.3 percent in 1985. This was during a period when many other economies in the world experienced historically high rates of inflation. However, the inflation rate ceased falling in 1986 when prices actually rose to 2.8 percent, and have been rising steadily ever since. At the end of 1988 prices had risen to 5.2 percent from the 4.3 percent level in 1987 and by the first 3 months of 1989 prices had already reached the 6 percent mark. Retail and construction price inflation, which had also remained relatively low during the first half of the 1980s began rising during the latter half. Retail price inflation rose from 2.3 percent in 1985 to 4.3 percent in 1984; and construction price inflation which shows the highest movement in prices of the three indexes jumped from 3.5 percent in 1986 to 7.4 percent in 1987. Nevertheless, the domestic inflation rate, though rising, was still below the world inflation rate which averaged 8.5 percent in 1986 and 10.9 percent in 1987.

Mr. President, the sustained slow rise in the overall level of prices since 1986, suggests that the economy is in an era of creeping inflation. Economists are of the view that creeping inflation is an inescapable cost of rapid economic expansion particularly if such expansion is import-demand dependent, and that although creeping inflation does not inevitably become galloping inflation, the problem is when it becomes a gallop. Therefore, policy considerations to tame inflation (in order to sustain a stable rate of growth in the economy and to prevent the achieved standard of living from eroding) must be guided by an understanding of why the rate of inflation has risen and is still rising.

One plausible explanation is the "tightness" in the labour market (due mainly to deficiencies in indigenous labour supplies) which tends to push wage rates above their competitive levels towards inflationary levels. One may also assume that government expenditures could have conceivably contributed to the rise in inflation, if only partially. This would have some merit, if there was evidence of either a consistent pattern of annual fiscal deficits or expansionary fiscal policies instead of a small annual fiscal surplus, or if it could be shown that in relation to GDP, the public sector had absorbed an increasingly large amount of the economy's output.

A second plausible explanation for the growth in inflation has been the growth in imports during the latter half of the 1980s. In other words, the rise in the inflation rate seems to be associated with the increased growth in import demand. Between 1985 and 1987 the rate of growth in consumer and capital goods imports was more than twice the rate of growth between 1983 and 1985 - 34 percent compared to 14 percent. The North American countries are our largest suppliers of imports. The United States alone supplied over 70 percent of our imports between 1985 and 1987, and according to IMF trade statistics for the period 1982 to 1988, export prices for United States, followed by Canada, on most measures grew relatively faster than export prices in the other industrial countries, meaning that countries for whom North American countries are the main suppliers of imports would have inevitably experienced higher import prices. Mr. President, if that was the case as the IMF suggests, then given the economy's overwhelmingly large dependence on imports from North American countries, and since there is no observable evidence that the Government had not been following non-inflationary fiscal policies, it is highly probable that a substantial portion of the observed movement in domestic prices has been due to a combination of shortages in the quantity and quality of indigenous labour and the influence of higher prices for imports from North American countries. These developments are what economists would call in the first case, "wage-push inflation", and in the second case, "import-demand driven" or "imported inflation".

### **3. FACTORS THAT CONTRIBUTED TO GROWTH PERFORMANCE**

Mr. President, the above review suggests that with the possible exception of 1985 when growth in the economy dipped, on balance, the 1980s was a period of growth expansion in the economy. Looked at from the point of view of growth performance in the world economy during the 1980s, the local economy fared far better than most small open island economies which experienced a fall in economic growth, accompanied by an increase in their debt burdens, and as a consequence found themselves at the mercy of IMF austerity programmes. Indeed, the rate of growth expansion in the local economy over the past few years have led some of us to the perception that we have experienced a period of boom, leading to calls for active government intervention to slow down the rate of growth in order to save Caymanians becoming an endangered species in their own country.

Mr. President, if the economy has indeed experienced a boom, leading to the perception that Caymanians are in danger of becoming an endangered species, and if we are to take the appropriate "corrective" measures we must first inquire into the determinants of the growth expansion that has taken place over the past few years. It is the modification of the policies (in the 1980s) underlying the factors that contributed to this expansion as well as the introduction of new policies that will either contract or further expand growth during the 1990s. Mr. President, about five categories of factors can be identified as key determinants of growth expansion during the 1980s.

#### **3.1. The Economic Policy Environment**

The economy's growth performance during the 1980s has been characterised by a policy

environment that stresses reliance on the free enterprise system, with limited government intervention as the best solution to the problems of economic growth. The growth experience of the economy during the 1980s provides abundant evidence as to the wisdom of this approach. The free-enterprise led growth expansion has been ably supported by prudent and stable public policies with respect to public revenue measures and public spending. In addition our political culture, fixed exchange system, liberal tax policies and relatively stable employer-worker relations, among other institutional factors helped to provide the foundation for our growth expansion during the 1980s.

### **3.2. Economic Demand**

Domestic and external demand comprise the second category of factors that contributed to growth expansion during the 1980s. On the domestic side, total real expenditure on consumption of goods and services rose from an estimated \$163.4 million in 1983 to \$226.1 million in 1987, an overall growth in domestic demand of 38.4 percent in real terms, and an average annual rate of growth of 8.6 percent. As a percent of real GDP, domestic consumption expenditures rose from 69.5 in 1983 to 72 percent in 1987. Private consumption expenditure, as one should expect, was the largest component of domestic demand, rising from \$156 million in 1983 to \$198 million in 1987, an increase of 26.9 percent in real terms. Government expenditure on goods and services, another component of domestic demand also rose in real terms from \$41 million in 1983 to \$83 million in 1987, an increase of 26.8 percent, and this increase, rather than having a dampening effect on growth as has been the case in several other Caribbean economies, appears to have been a stimulant.

External demand grew at an average annual rate of 15.8 percent in nominal terms, from \$107.3 million in 1983 to \$192 million in 1987, or an overall growth of approximately 80.9 percent. Obviously, the most important contributor to the large growth in external demand has been tourism exports. Nominal visitor expenditure grew from \$51.3 million in 1983 to \$126.7 million in 1988, an increase of 127% and an average annual rate of growth of 20%. The largest growth occurred in 1987 (28.4%) and in 1988 (26.7%), reflecting a demand for the Islands' tourism product stimulated by growth expansion in the industrial countries around the same time. The growth in visitor expenditure also reflected growth in visitor arrivals and an increase in average length of stay. Visitor arrivals (stayover plus cruise ship passengers) increased from 308,000 in 1983 to approximately 534,000 in 1988, an increase of 73.5% and an average annual growth rate of 11.7 percent, and average length of stay for stayover visitors increased from 5 nights in 1983 to 6 nights in 1988. The increase in the average length of stay appeared to have coincided with the growth in expansion in the industrial countries (an average of 5.9 nights in 1987 and 5.7 nights in 1988).

### **3.3. Productive Capacity Expansion**

The rate at which an economy grows is a function of the rate at which its productive capacity expands, and the rate at which its capacity expands depends among other factors, on the rate of investment and savings. During the 1980s, the economy expanded its productive capacity mainly in services. This is a reflection of its perceived comparative advantage in producing services.

Productive capacity expansion in services as reflected in the rate of capital formation and the rate of domestic savings also significantly contributed to growth expansion in the 1980s. Gross fixed capital formation increased at an average annual rate of 6.8 percent. Overall, the gross value of the fixed capital stock grew by 25.8 percent, from \$66 million in 1983 to \$83 million in 1987. However, as a proportion of GDP, growth in the value of the fixed capital stock decreased in real terms from 28.1 percent in 1983 to 26.4 percent in 1987. Part of this decline was due to a fall in investment in 1985.

Gross domestic savings increased from \$16.9 million in 1983 to \$38.5 million in 1988, an increase of approximately 128 percent. The average annual rate of growth was 18.3 percent. As a proportion of GDP, the domestic savings rate increased from 7.2 percent in 1983 to approximately 10 percent in 1987. The largest component of domestic savings is obviously private savings. Public savings was nil between 1983 and 1984 but grew from about \$0.4 million in 1986 to \$1.7 million in 1988. Private savings increased at an average annual rate of 17.8 percent. The overall growth was 117.8 percent, from \$16.9 million in 1983 to \$36.89 million in 1988. As a proportion of GDP, the private savings rate increased in real terms from 7.2 percent in 1983 to 9.0 percent in 1987. At the same time, private consumption as a proportion of GDP declined in real terms from 66.4 in 1983 to 63.1 percent in 1987. What these estimates suggest, Mr. President, is that in the 1980s, the economy grew from a 7 percent saver to a 10 percent saver.

### **3.4. Labour Productivity**

Mr. President, changes in the productivity of the labour employed in an economy also influence growth in that economy. Economist typically measure changes in labour productivity by changes in the wages paid to employed workers. If wages are an accurate measure of labour productivity (and in a free market economy with no overt trade union influence, they can be assumed to be) then changes in real wages are a reasonable indicator of changes in labour productivity (holding the level of physical capital inputs fixed).

Given these assumptions, Mr. President, labour productivity growth during the 1980s also explains the overall growth in the economy. The average weekly real wage earned per employed person increased from an estimated \$237.12 in 1983 to \$261.16 in 1987. This reflects real growth in labour productivity of 10.1 percent, and an average annual labour productivity real rate of growth of approximately 3 percent. Labour

productivity real growth on the average appeared to have been highest in the financial services sector (12.2%), the tourism sector (11.1%), the professional business sector (10%), the transport and communication sector (9%), and the wholesale and retail sector (7.2%). Labour productivity in the construction sector declined almost every year between 1983 and 1987, on an average of 3.7 percent.

### **3.5. Sectoral Productivity Growth**

Mr. President, changes in sectoral productivity growth structurally explain the growth performance in the economy during the 1980s. Economists sometimes measure changes in sectoral productivity by looking principally at the changes in gross real output and the changes in absolute employment level. The sectors in which gross real output growth was the highest are financial services, tourism services, professional business services, wholesale/retail trade, and building construction.

#### **3.5.1. Sectoral Real Output Growth**

##### **3.5.1.1. The Financial (Banking and Insurance) Sector**

Gross real output grew at an average annual rate of 13.4 percent in the financial sector, from \$48.4 million in 1983 to \$79.5 million in 1987 reflecting an overall growth of 64.3 percent. The number of licensed Category B banks grew by 17.1 percent, from 420 in 1983 to 492 in 1988, and the number of licensed Category A banks by 9.4 percent, from 32 in 1983 to 35 in 1988. The total number of licensed banks operating in the Cayman Islands increased from 452 in 1983 to 527 in 1988, an overall numerical growth of 16.6 percent. The total liquid asset value of Category A banks and Trust Companies with a local currency portfolio increased from \$88.4 million in 1983 to \$221.8 million in 1988, a growth of over 150 percent.

With respect to the insurance subsector, the total year-end number of licensed offshore companies increased from 274 in 1983 to 362 in 1988, a net overall growth of 32.1 percent, and the total year-end number of licensed domestic companies increased from 22 in 1983 to 29 in 1988, a net overall increase of 31.8 percent. Total overall year-end licensed companies increased from 296 in 1983 to 362 in 1988, a net growth of 22.3 percent. The growth of licensed companies implies a growth of licensed agents, brokers and managers and a growth in written premiums. The year-end number of licensed agents, brokers and managers grew from 77 in 1983 to 106 in 1988, a net 6 year growth of 37.7 percent. Total gross written premiums by the domestic companies grew from CI\$9 million in 1983 to CI\$16 million in 1987, a growth of 77.8 percent in C.I. dollar terms, and the total gross written premiums by offshore companies grew from US\$ 758 million in 1983 to US\$1.6 billion in 1987, a growth of 111.5 percent in U.S. dollar terms.

##### **3.5.1.2. The Tourism Sector**

Gross real output (value added) in tourism services is estimated to have increased from \$55.8 million in 1983 to \$104.3 million in 1987, an overall growth of 86.9 percent, and an average annual rate of growth of 17.4 percent. Mr. President, I have already indicated that growth in visitor demand (as indicated by the growth in visitor arrivals, visitor expenditure and average length of stay) was one of the main underlying reasons during the 1980s for output growth in the tourism sector. Another underlying reason was growth in hotel and apartment occupancy levels. In 1983, hotel occupancy rates averaged 61.2 percent and apartment occupancy rates 41.5 percent. In 1988, hotel and apartment occupancy rates averaged 68.2 and 53.7 percent respectively. The year of lowest occupancy rate for the hotel accommodation subsector was 1985 (56.7%) and the year of lowest occupancy rate for the apartment subsector was 1984 (43.0%) both of which reflect the spillover effects on the local economy of the adverse growth conditions in the world economy.

##### **3.5.1.3. Professional Business Services**

Gross real output in the professional business sector averaged 6 percent, increasing from an estimated \$65.3 million in 1983 to \$81.4 million in 1987. Overall growth was approximately 25 percent which reflects the importance of the productive role of professionals in the economy.

Mr. President, these estimates are indicative of a number of factors relating to the growth behavior of the economy. One factor is that the rate of growth in an economy depends as much on the quantity as on the quality of highly trained professional skills in that economy. The developed economies are developed principally because they long ago recognised this as a fact and invested large sums in the development of quantity and quality professionally highly specialised indigenous skills. The East Asian countries (Taiwan, Hong Kong, South Korea and Singapore, the "four little dragons") have grown to be a force in the world economy because two decades ago they recognised that their economies could not grow along preferred lines unless they invested large sums in developing both the quantity and quality indigenous professionally specialised manpower. We in the Cayman Islands, while we may recognise this as a fact do not appear to have fully appreciated this as a fact. We complain about the growth of expatriate professionals in our economy, but at the same time erect and maintain an economic system that is a disincentive for Caymanians to seek the post-secondary education and training required to fill some of the jobs that expatriates are recruited to fill. This is not to suggest that Caymanians are not interested in obtaining more than a high school education to fill some of these jobs. A few Caymanians do seek and obtain post-secondary education, particularly in North American Universities and Colleges. The problem is, however, that some of

those Caymanians particularly those whose education is financed by Government, are allowed to attend those North American universities and colleges where the requirements for a degree seem to be mainly enrollment and the payment of fees. The question of importance here, Mr. President, is not simply obtaining a degree. Rather it is the quality of the degree obtained.

A second factor (and one which may be painful for many of us to accept) is that the economy's ability to recruit and employ highly-trained professionals from abroad is a major factor in its own growth. The economy demands specialist professionals in banking, tourism, health services, government, education, etc. to maintain its international competitiveness. It cannot be denied that until we develop an indigenous pool of quantity and quality professional personnel, the economy will be hard pressed to maintain its competitiveness without continuing importation of highly-trained professionals from abroad.

#### **3.5.1.4. The Wholesale/Retail Trade Sector**

Productivity output growth in the wholesale and retail sector averaged 5.2 percent during the 1980s. Gross real output in 1987 was \$63.2 million, a 22 percent growth over the 1983 output level of \$51.8 million.

#### **3.5.1.5. The Construction Sector**

Real output growth in the construction sector averaged -2.1 percent between 1983 and 1987. The rate of growth in real output was a positive 10.7 percent in 1986; in all other years, real output growth was negative. Overall, real output fell from \$59.7 million in 1983 to \$54.6 million in 1987, a fall of 8.5 percent in growth. This pattern of growth appears inexplicable, Mr. President, in view of the movements in the construction prices referred to earlier in this presentation.

#### **3.5.1.6. Productivity Growth in Other Sectors**

Productivity growth remained constant in the agricultural sector, while there was steady upward growth in manufacturing output. Although information on agricultural production is at best sketchy, output growth in the sector has been estimated to average \$2.5 million annually between 1983 and 1987. The relatively low and constant level of productivity growth in the Agricultural sector may not have been a reflection of the level of local demand, but may be more directly attributed to the structural characteristics of the sector, and the level of efficiency with which the factors of production have been put to work. In the small manufacturing sector, estimated gross real output increased from \$16.9 million in 1983 to \$19.2 million in 1987, an overall growth of 13.6 percent. Manufacturing output grew at an average annual rate of 3.4 percent, suggesting that there may be some underdeveloped potential in manufacturing.

### **3.5.2. Sectoral Employment Growth**

In terms of changes in sectoral employment as an indicator of growth in sectoral productivity, Mr. President, we do not yet have sufficient information to adequately assess the impact of sectoral employment on productivity growth in all sectors. Of course, Mr. President, we are making the assumption here that given the labour-intensive nature of our economy, the employed labour force grows over time, and that growth in the employed labour force thus provides one source of increased production. However, we do have some estimates of employment growth in the tourism and the financial sectors, two sectors in which it is generally believed that employment should be highest in absolute terms. Estimates of direct employment in the tourism sector (i.e. employment in hotels and hotel apartments) by the Department of Tourism suggests that this category of employment grew at an average annual rate of 12.4 percent from 870 in 1983 to 1,328 at the end of the Fourth Quarter of 1987, an overall rate of growth of 52.6 percent. At the end of the Third Quarter of 1988, direct employment had grown by another 5.2 percent or by an additional 69 persons.

In the hotel subsector, direct employment grew overall by 76.4 percent or at an average annual rate of 17.6 percent from 653 workers in 1983 to 1,152 workers at the end of the Fourth Quarter of 1988, whereas direct employment in the apartments subsector grew from 217 workers in 1983 to 245 workers at the end of the Fourth Quarter in 1988, an overall growth of 12.9 percent and an average annual rate of increase of 3.4 percent. Direct employment in hotels was highest in 1987 (60.0%) and highest in Apartments in 1985 (13.6%), but direct employment in apartment accommodation declined every year between 1986 and 1988, and at an average rate of 2.9 percent.

Estimates of employment in the financial sector by the Departments of Banking and Insurance suggest that total employment in financial services grew from 1,068 workers in 1983 to 1,244 workers in 1987, an overall growth of 16.5 percent, or an employment growth at an average annual rate of 4 percent. However, the rate of employment growth in the banking subsector was higher than the rate of employment growth in the insurance subsector. Total employment in banking services grew at an average annual rate of 4.1 percent from 874 workers in 1983 to 1,025 workers in 1987, an overall growth of 17.3 percent, while total employment in insurance services expanded at an average annual rate of 3.2 percent from 194 workers in 1983 to 219 workers in 1987, an overall growth of 12.9 percent.

Mr. President, the distribution in employment growth between Caymanians and non-Caymanians in the financial sector is instructive; it is instructive because this is the sector in which most young Caymanians tend to have occupational aspirations. It is also instructive from the education and training point of view as well as from the overall development point of view.

The employment growth of Caymanians in banking services was higher than the employment

growth of non-Caymanians. Employment of Caymanians grew at an average annual rate of 4.6 percent, compared to a 3.1 percent growth rate of non-Caymanians. Overall, growth of Caymanians employed expanded by 19.3 percent, from 653 workers in 1983 to 779 in 1987, whereas growth of non-Caymanians employed increased by 11.3 percent, from 221 workers in 1983 to 246 in 1987. The employment ratio in banking services expanded in favour of Caymanians from 7:3 in 1983 to 8:2 in 1987.

The employment statistics for the insurance subsector show the distribution of employment between full-time and part-time Caymanians and non-Caymanians. Ignoring the numerical difference for the time being, the pattern of employment growth between Caymanians and non-Caymanians in insurance services, was the opposite of the pattern of growth in banking services. Whereas overall growth in employment of Caymans grew by 11.6 (from 155 workers in 1983 to 173 in 1987) and increased at an average annual rate of 2.9 percent, employment growth of non-Caymanians increased by 17.9 percent (from 39 workers in 1983 to 46 in 1987) and grew at an average annual rate of 4.3 percent.

A similar pattern of growth is observed for full-time employment. Whereas the number of full-time employed Caymanians increased by 2 percent (from 147 in 1983 to 150 in 1987) and grew by a little under 1 percent annually, the number of full-time employed non-Caymanians increased from 33 in 1983 to 45 in 1987, a relative overall and average annual rate of growth of 36.4 percent and 8.2 percent respectively. Total full-time employment grew overall by 8.3 percent, and at an average annual rate of 2.2 percent, and total part-time employment provided for Caymanians grew from 8 jobs in 1983 to 23 jobs in 1987, whereas part-time employment of non-Caymanians fell from 6 jobs in 1983 to only 1 job in 1987.

Despite the differences in employment growth characteristics that these statistics suggest, however, the ratio of employed Caymanians to employed non-Caymanians in the insurance sector remained a constant 8:2 in favour of Caymanians throughout the 1980s.

Mr. President, these statistics give us information only on the statistical growth patterns in the distribution of employment within the financial and tourism sectors; they tell us nothing about the distribution of the quality of employment between Caymanians and non-Caymanians. In other words, while these statistics may suggest that there was no discrimination against Caymanians in the statistical allocation of jobs in these sectoral job markets during the 1980s, they do not inform us of the qualitative differences (if any) in the allocation of jobs. Even though there may be an insufficient amount of professionally-trained Caymanians, from a policy perspective, it would be instructive to find out how well the labour market has functioned in the objective allocation of quality jobs between the available trained Caymanians and non-Caymanians.

#### **4. BALANCE OF PAYMENTS**

Mr. President, the balance of payments account measures the transactions between domestic residents and foreign residents. Given the dominance of the foreign sector in the local economy, these transactions are difficult to accurately identify and measure. Moreover, there is some debate as to whether, for balance of payments accounting purposes, the offshore sector should be treated as domestic or foreign residents. Nevertheless, some estimates of the transactions on the current account side of the balance of payments are available.

On the basis of the available estimates the "visible" trade balance deteriorated sharply between 1983 and 1987, from \$109 million to \$165.1 million, an overall deterioration of 51.5 percent or \$56.1 million. This deterioration has been due partly to our weak "visible" export trade, and partly to a strong growth in "visible" import demand. Visible export growth did not increase much during the 1980s, moving from \$1.0 million in 1983 to only \$1.8 million in 1987. At the same time visible imports expanded from \$110 million in 1983 to \$166.9 million in 1987, an overall expansion of 51.7 percent or \$57 million. Years of strongest growth of visible imports were between 1985 and 1987 over which import demand expanded from \$125 million to \$166.9 million, an expansion of 34 percent, compared to a 14 percent expansion between 1983 and 1985. The growth in visible imports was due to the growth in import demand for consumer goods (21%), capital goods (73%), and transport and fuel (14%). As a percentage of GDP, overall imports ("visible" and "invisible"), grew from 63 percent of GDP in 1983 to 73.2 percent in 1987. This suggests that nearly three-quarters of the economy's total income goes back out of the economy in terms of expenditures on imports in 1987. It also suggests that although the economy's productive capacity may have expanded, the expansion may not have been in those areas that would allow the economy to reduce its dependence on imports. Nevertheless, it is the capacity to generate income which is translated into the capacity to import. The problem comes, however, when the capacity to generate income falls.

On the "invisible" side of the trade balance, "invisible" exports expanded from \$106.3 million in 1983 to \$190 million in 1987, whereas invisible imports increased from \$38 million to \$63 million resulting in an 86 percent growth in the invisible trade surplus, from \$68.3 million in 1983 to \$127 million in 1987. The overall impact on the balance of payments was a 6 percent fall on the current account deficit, from \$40.7 million in 1983 to \$38.1 million in 1987. A very large portion (80%) of the invisible trade surplus which produced the fall on the current account deficit has been due to the growth role of tourism in the economy. The precise position of the current account balance is uncertain, however, because of continuing development of the underlying external trade statistics.

#### **5. PUBLIC FINANCE**

The pace of growth in the economy during the 1980s inevitably increased the demand for public services, and correspondingly, the size and the role of government in the economy. The size of the

government is indicated chiefly by its amount of annual spending, and the role of government is indicated mainly by the object of its spending and the economic effects of the spending.

In terms of spending, total actual annual expenditure increased from \$45.8 million in 1983 to \$86.2 million in 1988, an increase of 88.2 percent. On an average annual basis, actual expenditure grew at a rate of 14.8 percent. As a percentage of GDP, the size of government expenditure increased marginally from 19.5 percent in 1983 to 22 percent in 1988, suggesting that although the economy grew substantially during the 1980s in relation to GDP, the Government's management of its financial resources kept public sector absorption of an increasing amount of the economy's output relatively stable. To have done otherwise would have been to fuel the growth in inflation.

The Government was able to finance its annual recurrent and capital budget obligations primarily from an increase in revenue collection from existing sources. Actual revenue collected from domestic sources grew at an average annual rate of 15.2 percent, from \$45.9 million in 1983 to \$91.3 million in 1988, an increase of 98.9 percent. The recurrent side of the Budget increased from \$32.9 million in 1983 to \$72.6 million in 1988, and the capital side, though varied in amount from year-to-year increased from \$10.4 million in 1983 to \$13.6 million in 1988.

The ability of the Government to finance its Budget largely from domestic revenues freed it from unduly relying on debt finance. Taking the direct public debt figures by themselves would suggest that the size of the public debt rose by 71.8 percent from \$13.1 million in 1983 to \$22.5 million in 1987. Mr. President, accumulation of debts is not a bad thing in itself. What is more important is our credit worthiness and our ability to service the public debt without putting pressures on the economy. In this respect, it is instructive to observe that although the size of the direct public debt did grow from \$13.1 million to \$22.5 million between 1983 and 1987, as a percentage of GDP, the public debt fell from 7.5 percent in 1984 to 7.2 percent in 1987; as a percentage of actual revenue, the debt declined from 36.4 percent in 1983 to 30.4 percent in 1987; and as a percentage of total gross export earnings, the public debt declined from 14.1 percent in 1984 to 10.9 percent in 1987. These figures suggest that far from accumulating a volume of debt at a rate that would undermine the soundness of our public finances and the economy as a whole, (as anybody taking only the public debt figures by themselves could misleadingly suggest), our public debt portfolio has been well within the economically sustainable levels. This conclusion is further supported by the fact that despite interest rates, inflation rate and exchange rate movements, total debt service payments rose by only 4 percent, from \$2.5 million in 1983 to \$2.6 million in 1987.

In terms of officially-held external reserve, the records show that total external reserve assets rose steadily from US\$ 27.1 million in 1984 to US\$ 34.9 million in 1987, an overall growth of 28.8 percent. External reserve assets accumulated at an average annual rate of 6 percent during the 1980s. Mr. President, the evidence on record shows that overall our public finances have been reasonably well and prudently managed, and that the most important areas in which our public finances have been reasonably well managed are the areas of revenue mobilisation, budgetary balance, public debt and foreign reserve assets. And, given the fact that the manner in which a government manages public finance influences the growth performance of an economy, I would boldly assert that our approach to fiscal management has played a large and supportive role in the growth and expansion of the economy throughout the 1980s.

## **6. SUMMARY OF GROWTH PERFORMANCE**

Mr. President, before I turn to the question of weaknesses in the economy, allow me to briefly summarise the preceding analysis of the economy's growth performance.

I started out by addressing the question of changes in the population - one of the critical issues that we face during the 1990s. On this issue, I pointed out that the available population statistics suggest that although the overall population grew by approximately 34 percent in the 1980s, a substantial portion of that growth was due to the inflow of resident non-Caymanians. In fact the native Caymanian segment of the overall population, while remaining almost twice as large as the non-Caymanian segment in absolute terms at the end of 1988, in relative terms, the Caymanian segment had actually declined. The fall in the native Caymanian segment is the result of a decrease in the birth rate, and if the 1980s trend in the decline in the birth rate continues over the next 15-20 years by the year 2005-2010, there will likely be significant shifts in the age composition of the native population towards more mature adults.

Second, I addressed the question of growth in economic activity. Overall, the economy grew substantially in real terms. In 1987, real output was approximately 34 percent higher than in 1983, and the achieved standard of living as measured by per capita real incomes was approximately 9 percent higher in 1987 than in 1983.

The high real rate of growth in the economy resulted in an expansion of the employed workforce and while one may not dismiss the possibility of "hidden" unemployment there was no evidence of "open" unemployment - at least not in the Caymanian segment of the workforce.

Real growth in the economy was not only high, it was stable. This was because the rate of inflation remained low and stable during much of the 1980s. The inflation rate as measured by movements in consumer prices, averaged 4 percent throughout the 1980s, well below the world inflation rate. However, inflation has been rising since 1986 and it is likely that this rising trend will continue at least up to the end of 1990. The growth expansion of the 1980s stimulated strong growth in import demand resulting in a widening of the merchandise trade deficit. However, the growth in "invisible" exports produced a surplus on the invisible trade balance, resulting in a decline on the current account side of the balance of payments, and through stable fiscal management our credit worthiness, and foreign reserve position have been significantly enhanced and improved.



Mr. President, the following six factors appear to explain the economy's strong performance during the 1980s.

1. An economic policy environment that provided the incentives for strong growth performance;
2. Buoyant domestic and external demand - the latter applies particularly to tourism;
3. Productive capacity expansion in services as reflected in the growth of domestic investment and domestic savings;
4. Growth in labour productivity;
5. Growth in sectoral productivity, particularly in financial services, tourism services, professional business services and in wholesale/retail trading; and
6. Non-inflationary fiscal policies.

## **7. MAJOR STRUCTURAL WEAKNESSES IN THE ECONOMY**

Mr. President, the available statistical evidence appears to indicate that despite generally adverse conditions in the world economy throughout much of the 1980s, the local economy experienced a period of vigorous growth expansion. As a result, Caymanians appear to have become relatively more well off in real per capita income terms compared to their counterparts in many developing countries.

However, it is instructive to observe that it is precisely because of this strong growth that some underlying structural weaknesses in the economy have come more forcefully to the forefront, and which we must address squarely during the 1990s, whether or not it is desirable that the present rate of growth be maintained, contracted, or a greater level of growth achieved.

### **7.1. Indigenous Manpower Skills Shortage**

Mr. President, undoubtedly, the most significant weakness in the economy that the growth expansion of the 1980s has forcefully brought to the forefront is the acute deficiencies in the supply of indigenous human capital, particularly in the areas of middle and upper level technical, managerial, administrative and professionally-specialised manpower.

A continuing under-supply of indigenous manpower in these areas will make it more difficult to sustain growth in the economy at current levels, or to achieve a higher level of growth, without continued dependence on a significant supply of expatriate manpower. As we have seen during the 1980s, the economy generated far more jobs than were technically, managerially, and professionally-qualified Caymanians available to fill them, while the supply of Caymanians in these occupational categories lagged, resulting in significant growth in employers' dependence on expatriate labour.

Mr. President, a number of factors explain this underlying weakness in the economy. The most significant factor is slow growth in the quality of the indigenous labour force. Slow growth in the quality of the indigenous labour force is an outcome of the problem of underinvestment in post-secondary education and training or human capital formation.

The statistics on the number of Caymanians enrolled in colleges and universities overseas as well as the number enrolled in the three local post-secondary training institutions underline the problem of underinvestment in human capital formation in the Cayman Islands. In January 1989 a total of 104 Caymanians, or less than 1 percent of the indigenous population were enrolled in various first degree and associate degree programmes in four-year colleges, universities, and two-year junior colleges overseas. In addition, there were a total of 196 Caymanians pursuing paraprofessional and legal training at the three local post-secondary institutions as well as on short-term job-related courses overseas. This works out to a total of 300, less than 2 percent of the indigenous population. We do not know what will be the attrition rate or how many are expected to return and enter or reenter the job market after completing their education and training. Most other countries (even some of comparable size) have a significantly higher proportion of their young people pursuing higher education and training, to the extent that some are exporters, not importers of human capital.

Mr. President, the problem of underinvestment in post-secondary human capital formation in the Cayman Islands does not appear to be associated with lack of labour market demand. If this were the case, there would be little justification for significant importation of trained manpower. Underinvestment in post-secondary human capital is rather the result of a downwardly rigid wage structure that generates high-wage clerical jobs for school leavers which in turn creates disincentives for undertaking further investments in the education and professional training necessary for advancement into managerial and professional occupations.

This pattern of development produces a number of economic outcomes. The first and most obvious, is the economy's almost chronic dependence on expatriate labour importation. The second is high wages and hence, high cost of production, and hence cost-push inflation. The third is a subtle arrangement which underlies the functioning of the labour market. This arrangement has a regulatory impact on employers' labour recruitment policies, labour allocation, labour mobility and wages. The inevitable consequence is rigid segmentation of the workforce into indigenous Caymanian workers, workers with

Caymanian status, legally-resident expatriate workers - an arrangement with the inherent potential for social conflict.

## **7.2. Transportation Infrastructure**

The second major structural weakness that the growth expansion of the 1980s has brought forcefully to the forefront is the deficiency in the capacity of road networks and port facilities. The major road networks leading into and out of George Town are clogged, particularly at peak hours. There were 33 percent more registered vehicles on the roads in 1987 than in 1984 and there were 28.3 percent more vehicular accidents in 1988 than in 1984 involving fatalities, personal injury and damage to property. Increased road traffic growth has not only increased the demand for driving space, it has also seriously increased the demand for parking facilities, particularly in the George Town business and administrative center, as well as in the adjacent business areas. Mr. President, the demand for increased road capacity is already critical. The 1987 Master Ground Transportation Study predicted that by 1993 capacity demand may assume crisis proportions unless the necessary road capacity expansion plans are developed and implemented by 1993.

During the 1980s, the demands of growth for increased shipping activities exceeded the capacity of the existing port and other docking facilities to efficiently handle these demands. Statistics on shipping activities indicate that port of calls made by cruise ships increased from 114 in 1980 to 286 in 1988, (an increase of 151 percent) and port calls by cargo vessels from 260 to 292. In 1988, there were 58 percent more port calls made by all ships than in 1980. The results have been a 419 percent increase in cruiseship passenger arrivals, often resulting in serious congestion in the downtown area, a 51 percent increase in the tonnage of cargo landed, a 42 percent increase in the tonnage of cargo handled per hour, and a 40 percent growth in the amount of ship hours worked.

## **7.3. International Trade Specialisation in Services**

While international trade specialisation in tourism and financial services has been a source of strong growth in the economy, its structural impact on the economy has produced a number of outcomes.

An obvious outcome which I have already touched on is the growth in the economy's dependence on expatriate labour importation. Another obvious outcome is the growth in the economy's dependence on consumer and capital goods imports. As already indicated, imports rose by approximately 53 percent between 1983 and 1987 or from 63 percent of GDP in 1983 to 73 percent in 1987, and that this growth in import demand has been inflationary. The inflationary consequences have been reflected in increased domestic prices, wages, and other business costs.

But there has been a number of not so obvious structural impacts as well. The over-reliance on international trade specialisation in tourism and financial services has led to the development of an economy with a narrow and economically very fragile labour and socio-culturally sensitive production base. On the one hand, the concentration of investments in services has led to a de-emphasis in development policy of other foreign investment opportunities that have demonstrated the potential to transfer "hard" technical and other innovative skills to Caymanians, and which ultimately give an economy a more durable growth foundation. On the other hand, the emphasis on tourism and off-shore financial services has created "booming sector" effects which in turn tend to create and perpetuate structural biases against agricultural development.

## **7.4. Agricultural Development**

Mr. President, information from the Farmers' Market suggests that there has always been an untapped local demand for fresh on-farm and off-farm agricultural produce, and since the Market has been wholesaling and retailing local farm produce, the demand for fresh fruits, vegetables, meat, eggs and root crops has steadily grown. This demand has come from both local consumers and tourists who prefer locally-grown fruits and vegetables to imported farm produce. In addition, as indicated earlier, agricultural production has accounted for a portion of the overall growth in the economy, albeit a relatively small portion. This information suggests that there is the underlying potential for agriculture to play a more significant role in the economy. Some tangible progress in this direction in the form of establishment of an agricultural credit institution (the AIDB) and the Farmer's Market as ways of providing incentives to stimulate agricultural development has been made over the years. As a result, we have come a great distance from the days when farm production was mainly for family consumption, to production for commercial gain as well as for family consumption. Nevertheless, the efforts to stimulate agricultural development as a more dynamic sector of growth have been constrained by a number of structural factors.

One obvious factor, and the one which we are unable to change is the limitedness of the Islands' natural resource endowments and the fragility of the ecological system. Land suitable for large-scale commercial agriculture is clearly limited, tending to be scattered and interspersed with uncultivable tracts and rocks. Moreover, on account of the small size of the Islands, land use competition for residential and commercial purposes is severe.

However, there are other constraints that policy can address and should address in order to make agriculture a more profitable form of economic activity for practising full-time farmers; as well as those who now practice farming mainly as a part-time economic activity. These constraints are several, Mr. President, but we can place them into the three broad categories of (1) productive capacity development constraints, such as the availability of farm resources inputs; (2) productive efficiency improvements constraints relating

to the way in which farmers allocate and utilise available resource inputs; and (3) land economising constraints which relate to farmer's ability to use the limited amount of farm lands to greater advantage by avoiding crops whose commercial viability requires large acres of arable land and costly labour and raw material inputs.

Mr. President, we may never be able to embark upon export agriculture, and neither will we be able to produce enough food to meet all our consumption needs. But we can and should undertake investments in food - import reducing forms of agriculture. Therefore, actively assisting farmers to address these constraints must be perceived as one of the primary roles of Government. There is no Government in the world that adopts a complete laissez-faire approach to agricultural development. This is not to suggest that in the past, we have adopted a complete laissez-faire attitude to agricultural development in the Cayman Islands.

Nevertheless, our past policy efforts seem to have been based on inadequate information about the role of agriculture in economic development. As a result, agricultural development has scarcely been treated with the policy commitment with which tourism and off-shore financial services have been treated. In other words, in the past, though we may have devised the macroeconomic policies which affect agricultural development only indirectly, we are only now beginning to develop a coherent and pragmatic set of sectoral policies, strategies and programmes which details the short-term, medium-term and long-term priority areas for development, and which also address the more malleable problems and constraints on development in these areas.

## **7.5. Economic Development Planning**

Mr. President, the economic development planning process in the Public Sector is constrained by an uneven acceptance of the function of economic development planning. This constraint may be due partly to the fact that as a basically free-enterprise economy, we do not have a history of overall formal economic development planning and partly to the fact of the mistaken notion that implementation of an overall economic plan represents a shift from free-market principles towards increased government intervention in the economy.

Having a free-market economy does not negate the usefulness of formal public sector planning. An economic development plan in the context of a free-market economy represents no more than a management tool designed to give the Government more efficient and effective leverage over the allocation and use of scarce public resources. Within the framework of clearly defined and attainable set of goals and objectives, the Plan would estimate and mobilise the necessary domestic and foreign resources of money and skills, and allocating and guiding them to those priorities which seem most likely to make the greatest contributions to achieving the goals and objectives within a given time frame. The Plan would also identify, prioritise and cost those investments that comprise the public sector of the economy and programme them over a period of 3, 5, or 10 years or whatever time frame seems more reasonable. These 3 functions would constitute the basic core of the Plan.

Therefore, an economic development plan should not be seen as reflecting Government's intentions to tell the private how, when, where, why, and how much to invest or not to invest nor must it be viewed as a signal of Government's intentions to direct the private sector as to what to produce, how to produce and for whom to produce at any moment in time. If a free-market system is allowed to be free, then the price system can and will do this far more efficiently than any economy-wide economic planning can do. In the Caymanian context, public sector planning should be planning to strengthen the free-market system, not to erode it.

## **8. DEVELOPMENT POLICY ISSUES**

### **8.1. The Main Development Issue**

Mr. President, the preceding assessment of the economy's strengths and weaknesses during the 1980s raises a number of development issues with major implications for the direction and rate of growth in the economy for the 1990s. These issues pose political and economic challenges which the imperatives of growth oblige this Honourable House to rationally debate and address in terms of policy.

#### **8.1.1. The Pace of Socioeconomic Transformation**

Perhaps the most challenging issue is the pace of economic growth. It is evident to everyone in this Honourable House, and the community at large, that over the past decade or so, the Islands underwent a "rapid" pace of social and economic transformation. Within a relatively short period of time, the Islands have been transformed from an undeveloped economy into one of the world's most prosperous small island economies. Secondly, in an island with a very small indigenous population base such as ours, and one also not endowed with ample supply of the human capital required for growth, it was almost an economic law that a rapid pace of economic growth would have been accompanied by an equally rapid growth in the demand for trained manpower, leading in turn to substantial inflows of expatriate professionals and other types of skilled labour. Moreover, the rapid pace of economic growth drew many more women of working age into the workforce annually, which in turn induced a lower birth rate and at the same time increased growth in the demand for immigrant domestic workers. Thirdly, the pace of economic growth may not have given Caymanians enough time to acquire the range of skills required to service a rapidly growing economy;

although it has inevitably aroused the natural acquisitive instincts, particularly among younger Caymanians.

The inevitable socioeconomic outcomes have been transformation of the composition of the population and the workforce as well as the "traditional" social and cultural characteristics of the indigenous population within a relatively short period of time. Thus, while the pace of economic growth has changed the economic and occupational aspirations of Caymanians and made them materially much better off in the 1980s compared to the 1960s and 1970s, it has also created concerns about the perceived social and cultural consequences of a continuing rapid pace of growth in the economy.

The most compelling of these expressed concerns is that the pace of economic growth has been too fast, and if the level and rate of growth continues in the 1990s at the pace of the 1980s, the declining imbalance between the indigenous demographic majority and the immigrant minority in the population and the labour force will become too great to sustain socially and politically. This concern has prompted proposals for alternative future development strategies from two of the Islands' most influential private sector institutions.

The first proposal is to leave the status quo unchanged, that is we should continue with policies aimed at continuing or increasing the current level and rate of economic growth. The consequences are that on the one hand, Caymanians would maintain or increase their achieved standard of living. But, on the other hand, they would face the risk of becoming the demographic minority, since continuing or increasing the current pace of growth in the economy would result in a greater need for immigrant labour and a further shift in the balance between Caymanians and non-Caymanians in the population.

The alternative proposal is for a contractionary growth strategy, that is, policies aimed at slowing down the current pace of economic activity or at increasing total output of goods and services at a decreasing rate, over a given period of time. A moratorium on further capital development projects and foreign investments, and an across-the-board halt in the level and rate of immigrant labour have been two of the policies proposed for achieving this objective. The consequences of a "contractionary growth path" are that on the one hand Caymanian's achieved standard of living would either be maintained or reduced. But, on the other hand they would maintain or increase their demographic majority in the population and in the labour force.

Mr. President, the explicit development objectives of these proposals are both economic and demographic. It is either to allow the pace of economic growth to continue at the current rate with the objective of maintaining and increasing per capita income growth or to reduce per capita income growth through contraction of economic activity with the objective of enabling Caymanians to catch up demographically and in terms of the quantity and quality of their labour skills. These proposals may have strong appeal to popular sentiments. However, Mr. President, the development objectives proposed are mutually in conflict. They therefore raise substantive issues which should bear heavily on choices of future development policies. These issues seem to revolve around the following categories of questions:

1. On the one hand, if the policy is to continue or increase the current level and rate of growth in the economy, guaranteeing that Caymanians maintain or increase their current standard of living, how much more growth can be feasibly sustained without simultaneously inducing further declines in the ratio of Caymanians to non-Caymanians in the population and the labour force?
2. On the other hand, if the future overall development objectives are to achieve a more desirable distribution of Caymanians and non-Caymanians in the population and at the same time a more desirable allocation of jobs between Caymanians and non-Caymanians, and a strategy of officially-induced growth contraction is the choice to achieve these objectives.
  - (i) Is an officially-induced contractionary growth strategy the most feasible approach to the solution of these problems?
  - (ii) What degree of growth will it be politically and economically feasible to forego in order to achieve these objectives?
  - (iii) How long will it be politically and economically feasible to forego the targeted amount of growth?
3. Having determined the amount of growth that it is politically and economically feasible to forego and the duration of time that it will be politically and economically feasible to forego the targeted amount of growth, what package of specific policies should be pursued to achieve the desired growth reduction, and how implementable will this package of policies be?
4. What specific sector or sectors that will be targeted for growth reduction, and how clear are the economy-wide economic and financial implications of growth reduction in the targeted sectors? In other words, how will the officially-induced growth contraction in the targeted sector or sectors affect growth in the non-targeted sectors? Is it clear that a contraction of growth in the targeted sector or sectors will achieve the desired objectives without introducing some instability in the economy?
5. Given that the desired objectives are to allow Caymanians to catch up with the pace of growth both demographically and skills wise, (a) What specific programmes are to be put in place to enable Caymanians to catch up with growth? (b) How much will these programmes cost? (c) How will these

programmes be financed?, and (d) What indicators will there be to determine when Caymanians have "fully caught up" with the requirements of growth?

6. How will policies of artificially-induced growth contraction affect long-term prospects for growth in the economy? In other words, will foreign investors still have confidence in the economy to maintain or even increase their level of investments during and after the catch-up process? Or, will the catch-up process also involve a greater accumulation of domestic savings by Caymanians which will allow local investors to invest in areas where foreign investors may choose not to tread? and

7. Will not an overall development policy of artificially-induced growth contraction necessitate increased government intervention into an otherwise free-market economy towards levels that may be injurious to the long-term viability of the free-market system?

Mr. President, these questions are not academic questions. Rather, they are practical questions that require practical analysis and thought if a strategy of artificially-induced growth contraction is to be adopted and pursued in the 1990s. Moreover, they suggest that strategies proposed to induce a slower pace of growth may be more easily proposed than implemented.

### **8.1.2. Indigenous Manpower Training and Development**

Mr. President, even if a contractionary growth strategy is adopted, there are other critical issues that warrant serious policy attention. One of these is the training and development of Caymanians in the more critical occupational categories. The desired reduction in the importation of immigrant labour cannot be achieved over night.

Such a reduction will of necessity have to be gradual over a period of say 3 to 6 years, and even this time frame may be a bit optimistic taking into consideration that a young Caymanian returning to the job market with a bachelor's or a master's degree after 4 or 6 years study in an applied field will need to develop on-the-job specific skills and work experience as further preparation for assuming middle and upper-level managerial and professional positions. Second, the reduction cannot be across-the-board; rather it will have to be selective. Perhaps the logical place to start is with a gradual reduction in the inflow of domestic workers, since Caymanians need not be trained to take up jobs not filled by immigrant workers in this occupational category. The problem here, however, is that any restriction on the supply of domestic workers will raise the price for such labour, since demand will become much greater than the supply with ultimate consequences for an already high-wage labour market and prices in general.

But this would also be the case in other occupational categories targeted for immigrant labour reduction. A further problem is that increased labour market protectionist policies will inevitably further reduce emphasis on skill quality and efficiency in job performance as the basis for employment and promotion resulting in higher business costs, which in turn will again affect prices.

Trade-offs will have to be found between these considerations of selective reduction in immigrant labour importation and the training and development of Caymanians. In this connection, both short-term, medium-term and long-term manpower training and development programmes would need to be considered, in strong correlation with considerations for selective short-term, medium-term and long-term contractual arrangements between employers and immigrant workers. The proposal is for a two-pronged policy approach: active short-term, medium-term, and long-term programmes for enabling Caymanians to acquire the technical, managerial, and professional skills and at the same time allowing immigrant workers to take up the shortfall through short-term, medium-term, and longer-term contractual arrangements with their employers. This would require closer working relationships on this issue between the private sector and the Government. Educational policy in particular in the meantime would need to be geared to producing more and better quality graduates, especially at the high school level.

In terms of overseas long-term training for young Caymanians, policies need to be adopted to (a) ensure that government-financed students attend colleges and universities which offer training of competitively high and rigorous quality, instead of the current approach of allowing students to choose and attend those colleges and universities which produce degrees of doubtful labour market quality. (b) ensure that the programme of study pursued is related as closely as possible to the perceived needs of the economy, and (c) ensure that the student's selection of courses and performance in those courses adequately meet the minimum job expectation criteria as far as is feasible.

### **8.1.3. Transportation Infrastructure**

Transportation infrastructure relating principally to the existing main road network is another critical development issue that is before this Honourable House to be settled.

Mr. President, there is a direct relationship between the number of residents and visitors and the infrastructural investments needed. The demand for transportation facilities is a function of population size, number of visitors, trip-making characteristics, the real rate of growth in the economy, and other demographic and economic factors. In the Caymanian context, the population is estimated to have increased by 49.7 percent since 1980, the total number of annual visitors increased by 195.0 percent over the same period, and the real growth in gross domestic product was 34.0 percent over the 1983-1987 period. These increases have been partially reflected in a 99.8 percent increase in vehicular traffic growth between 1980 and 1987.

The Master Ground Transportation Study which I referred to earlier indicated to Government the magnitude of additional road investments that would be needed to cope with the increase in vehicular traffic growth. To date the Government has accepted the MGTP Final Report as the formal basis for the development of ground transportation infrastructure on Grand Cayman subject to the annual appropriation of funding by the Legislative Assembly, and has also effected a number of substantial recommendations. In addition, a draft Financial Plan for the implementation of the recommended Phase I Projects together with a detail Implementation Plan has been jointly prepared by the Economic Development Unit and the MGTP Steering Committee. Total projected cost for implementing all Phase I Projects is approximately CI\$ 22 million. Decisions have yet to be taken regarding the sources of funding for these projects.

#### **8.1.4. Diversification of the Productive Base of the Economy**

Mr. President, tourism and financial services have been mainly responsible for the strong growth performance of the economy in the 1980s. However, in the 1990s as a means of developing a more durable growth foundation, greater policy consideration should be given to diversification of the productive base of the economy at a pace consistent with policies for developing and expanding the indigenous skill base of the economy and with policies for preserving and enhancing the cultural and environmental character of the Islands as far as feasible.

There are two areas which a diversification strategy could be feasibly pursued. One is the development of agriculture into a more profitable form of economic activity for practising farmers. As indicated earlier, agriculture appears to have the potential to meet a greater portion of the growing demand by local consumers for fresh farm produce as well as to meet the incipient demand of tourists for locally-grown fruits and vegetables.

The other area in which diversification policies could be feasibly pursued, is the area of light manufacturing and electronics assembly industries with a high technology transfer content. Such light manufacturing enterprises could be linked to a wider indigenous manpower development programme particularly in those areas critical to the longer-term skill needs of the wider economy. In addition, these enterprises could be viewed as one way of developing a viable "visible" export trade, over the longer term.

#### **8.1.5. Economic Planning and Project Monitoring**

Mr. President, last year we established an Economic Development Unit (EDU). This was in recognition of the role of economic planning and public sector capital investment project preparation, appraisal, prioritisation, and implementation monitoring among other important development considerations. Budgetary provisions have been made for two technically highly-trained and professionally specialised staff, and one other technically-trained but not necessarily professionally-specialised staff. We have been able to fill the first two staff positions, but we have not been able so far to identify an appropriately-trained Caymanian to fill the third position.

Although the Unit is young, and therefore still in the process of development, it has been able to make significant contributions in improving and expanding the technical capability of the Government in the areas of economic development policy and planning and Public Sector Investment Programming (PSIP). However, the functioning of the Unit has been constrained by the uneven acceptance of formal economic planning and the project identification, appraisal and implementation monitoring process. Whereas the framework has been established for the annual fiscal exercise to become an integral part of the planning process, economic planning and project evaluation, prioritisation and implementation monitoring remain secondary to the budget-making process.

The formation of the Capital Development Committee under the auspices of the EDU, and the Treasury and the Budget Office last year was a positive step in the direction of improving the Public Sector Investment Programming (PSIP) mechanism. One of the main functions of the Committee was assisting Portfolios and Departments with the identification and preparation of appropriate projects for funding, as well as screening, evaluating and prioritisation of project submissions before they are programmed for financing, and monitoring implementation performance. Due to the institutional difficulty indicated earlier the work of the Committee has not advanced at the pace originally envisioned. As a result, most Capital investment projects are still simply identified, costed somehow, and submitted for funding without the benefit of proper economic and/or financial cost-benefit analysis.

### **III. MEDIUM-TERM GROWTH PROSPECTS AND KEY DEVELOPMENT PRIORITIES**

#### **1. Growth Prospects in the Industrial Economies.**

Following a period of adjustment in the industrial economies, the current economic expansion is expected to continue well into the 1990s; but at a slightly slower pace.

##### **1.1 Inflation and Growth Prospects.**

Inflation will continue to be "public enemy" no. 1. Consequently, anti-inflationary monetary and fiscal policies will continue to be implemented in a steady and coordinated fashion, and are expected to succeed in achieving a "soft-landing" of the industrial countries as a group (i.e. lower inflation without recession). Inflation is expected to peak at around 4.5 percent by the end of this year, fall below 4.0 percent in 1990, and

settle at around 3.0 percent between 1991 and 1992.

Growth in the G-7 economies (USA, U.K., Japan, West Germany, France, Canada and Italy) is forecasted to expand by 3.0 percent and 1.5 percent in volume terms, in 1989 and 1990 respectively. In the later years economic growth in Europe is expected to exceed growth in the U.S. for the first time since 1982, and this will be due primarily to the integration of European Economies in 1992.

## **1.2 Mixed Near-term Prospects for the U.S. Dollar**

The U.S. dollar strengthened in May, gaining 6.9 percent against the Pound, 4.9 percent against the Deutschemark and 6.7 percent against the Yen. Some experts believe that this surge in strength was temporary; others believe that the U.S. dollar will continue to rise in strength over the longer term. The prognosis for the future is therefore mixed. Optimists predict a stronger dollar over the medium term. Pessimists see a gradual, then a steep fall in the value of the U.S. dollar, following its current short-term strength.

## **1.3 Interest Rates**

In February, short-term interest rates were highest in the U.K. (13%), Canada (11.7%), and the USA (9.5%), and long-term interest rates were highest in Canada (10.2%), USA (9.3%) and the UK (9.0%).

Experts believe that high interest rate policies will continue to be maintained in Canada to help cool down overheating pressures on the economy, and that no significant near-term fall in short-term interest rates in the USA should be expected. In the U.K., high interest rates will be maintained to support the Pound. In Japan, short-term and long-term interest rates (which were 4.6% and 5% in February respectively), will continue to remain the lowest of all the major financial markets.

## **1.4 Fiscal and Current Account Balance**

In the United States America, the Budget Deficit is expected to fall from US\$170 billion in 1989 to US\$130 billion in 1990, and the Current Account Deficit from the present US\$128 billion to US\$120 billion in 1990. The U.K. is expected to have a budget surplus of 14.4 billion Pounds in 1990 but a current account deficit of 15.1 billion Pounds, up 4.1 percent over 1988. Japan's Budget Deficit will continue its steady fall, but its current account surplus will continue to be very robust, despite its policy of "surplus-trimming tourism" imports. In Canada, the budget deficit is expected to fall from C\$30.5 billion in 1989 to C\$28.0 billion in 1990, and to C\$15 billion between 1993 and 1994, and its current account deficit is expected to fall to about C\$9.0 billion in 1990.

## **1.5 European Market Integration, 1992**

The creation of a single European Market in 1992 will mean that the world's single, largest and wealthiest consumer market will no longer be in the USA, but Europe. The center of world production, trade, and finance is expected to shift from New York to Brussels. The balance of world income will be highly concentrated in Europe. These developments will bring new challenges for the Cayman Islands, particularly in the areas of tourism and finance.

# **2. GROWTH PROSPECTS IN THE CAYMAN ECONOMY**

Mr. President, with respect to medium-term (1989-1993) developments in the local economy, two sets of projections are offered. The first is a baseline projection which assumes no change in policy, but simply a reaffirmation of existing policies. The second is based on forecasts which assume a change in existing policies. These projections make no claim to a very high level of accuracy. In fact, given the limited amount of statistical data at our disposal, a claim of a high level of accuracy would be professionally foolish. The projections are an update of those already prepared for inclusion in the revised 1989-1993 Economic Plan, and are not to be interpreted to mean what will exactly happen in the economy over the next 4 years; but rather, what is likely to be the outcome, given certain assumptions about the direction of policy.

## **2.1. Baseline Projections**

### **2.1.1. Population Growth Rate**

Based on the trend in population growth during the latter half of the 1980s, between 1990 and 1993, the total population is projected to grow at an average annual rate of between 3 and 4 percent. The native Caymanian segment is projected to grow at a slower average annual rate of about 3 percent, while the non-Caymanian segment is expected to grow at an average rate of from 6.5 to 7 percent annually. Thus, while growth in the non-native Caymanian segment can be expected to continue unabated above the average annual rate of the overall population (assuming no change in existing policy), growth in the native Caymanian segment can be expected to continue its 1980s course of a growth rate a little below the rate in the overall population. The main reason for the expected continuing slow growth in the native Caymanian segment of the population is that there is likely to be no change in the declining course of the birth rate, due to the job-oriented preferences of most Caymanian women.

### 2.1.2. Growth in the Labour Force

Overall growth in the labour force is expected to approximate growth in the overall population. Growth in the overall labour force is projected to grow at an average annual rate of approximately 4 percent; assuming no change in existing immigrant labour importation policy. Given the assumptions of a continued decline in the birth rate and that more women of working age will be seeking jobs, particularly those in the younger working age group, the native Caymanian segment of the labour force can be expected to grow at an average annual rate of between 1.6 to 2.1 percent. At the same time, the non-Caymanian share of the labour force is expected to grow at an average rate of about 7 percent. Given the expected modest gains in the participation of Caymanians in the employed labour force and the expected growth in the non-Caymanian segment, the ratio of Caymanian participation to non-Caymanian participation is likely to remain at the 1967 level of 6 to 4 in favour of Caymanians up to 1993. However, much of the labour force participation gains by Caymanians over the medium-term is likely to continue to be in the relatively high-wage white-collar clerical jobs.

### 2.1.3. The Pace of Economic Growth

Under assumptions of no change in the policies underlying the factors that influence the overall rate of growth, and that the rate of growth will not be adversely affected by developments in the world economy more than in the 1980s, the economy is conservatively projected to grow at an estimated average rate of 7.4 percent annually over the medium-term. This would imply that if the overall population were to grow at the expected average annual rate of from 3 to 4 percent, Gross Domestic Product would need to grow at an average annual rate of 6.6 percent in real terms in order to sustain the 1987 level of per-capita real income of \$13,200.

### 2.1.4. Inflation

Barring no arbitrarily-induced contraction in growth in the economy, the greatest threat to stability in the economy will be inflation - at least up to around the middle of 1991. The inflation rate at the end of December 1988 was 5.2 percent, that was a 1 percent point increase over the December 1987 level of 4.3 percent. The revised 1989-1993 Economic Development Plan forecasts an inflation rate of 6.9 percent by the end of 1989. By July, the inflation rate had already actually reached 6.4 percent, suggesting that the 6.9 percent growth in inflation projected in the revised 1989-1993 Economic Plan is right on target.

The inflation rate is projected to increase to 7.8 percent in 1990, peaked at 7.9 percent in 1991, and thereafter moderate, falling to 5.7 percent in 1993. The expected growth in inflation is one emerging sign that the economy may be already well on the path of overheating. Therefore, some slowdown in growth may be a welcome adjustment.

The orthodox way to achieve this objective would be through a package of policies designed to contain growth in demand, particularly the growth in import demand. The problem here, however, is that the present institutional and economic arrangements in the economy allow little scope for the development and implementation of orthodox demand reducing policies. Furthermore, while increased institutional regulation of an already institutionally-regulated labour market may achieve a desired demographic objective in the long-term, the short-term to medium-term effect is likely to be a faster growth in inflation from the domestic cost side. Therefore, given the demographic and economic structure of the economy, their evolution and interrelationships, one feasible option is a trade-off between the desired demographic balancing objective and an acceptable rate of growth in inflation.

## 2.2. Alternative Growth Scenarios

The alternative scenarios are based on assumptions of the medium-term economic growth effects of changes in policies with respect to the rate of investments, labour supply, public spending, and other growth factors, some of which Government can influence directly, others of which it does not have the policy means to directly influence through orthodox policy measures.

Over the medium-term:

- a) If the rate of capital investments in hotels, commercial and residential construction, etc., is increased or decreased annually by about 1.3 percent, the direct effect on the economy is likely to be a \$4.4 million average annual increase or decrease in the level of GDP in nominal terms;
- b) If the level of immigrant labour importation is increased or decreased across the board at an average annual rate of about 6 percent, the direct effect on the economy is likely to be an average annual increase or decrease in GDP of about \$22.2 million in nominal terms;
- c) If overall public sector spending is increased or decreased at an average annual rate of about 2.2 percent, the direct and indirect impact on the economy, (through a reduction or an increase in consumption) is likely to be in the neighbourhood of an \$11.3 million nominal loss or gain in overall economic output;



- d) If the Government cuts back or increases the public sector capital investment programme in economic infrastructure alone at an average annual rate of about 2 percent, this would likely result in an average annual direct nominal gain or loss to the economy of about \$3.5 million over the next 3 to 4 years; and
- e) A 2.5 percent points annual movement in the level of inflation, either way will likely result directly in about a \$2 million positive or negative real growth in the level of economic activity.

Mr. President, with respect to the productive sectors, it is a more highly risky business to attempt to make projections about sectoral growth. Growth in the tourism and offshore financial sectors is influenced more by external developments than by domestic developments. One may build four or five 200 or 250 room hotels on the assumption that all or most of the beds will be filled every year. But if conditions in those economies which supply visitors to the Cayman Islands change unfavourably, hotel owners are likely to end up with depressed inventories.

I say this cautiously against a background of an anticipated slower growth in the industrial economies over the medium-term. However, the creation of a single, integrated European market in 1992 which would make Europe the richest economy in the world in terms of tourism opportunities from our point of view, should figure prominently in our tourism marketing and promotion strategies. The point, Mr. President, is that like most of the rest of the Caribbean destinations, we must begin to formulate measured but aggressive tourism marketing and promotion strategies to better position ourselves in the European market in order to take advantage of the vacation-demand opportunities that the creation of a single integrated and more wealthy European economy will create. No longer is it likely to appear to be most profitable for us to continue to put almost all our tourism marketing dollars in the North American travel market.

### **3. MEDIUM-TERM GROWTH-ORIENTED ADJUSTMENT POLICY CONSIDERATIONS**

#### **3.1 Economic Adjustment: Slower Growth**

Mr. President, there is a number of medium-term policy priorities before us. Perhaps, the most important of these is whether (in view of the current public debate) to put the brakes on the current pace of growth in the economy in order to stabilise the relative rate of growth between the number of Caymanians and non-Caymanians in the population, and in order to curb the rate of growth in inflation. If the decision is to decelerate growth in the economy, the next question is what plan of action can accomplish these objectives without unduly reducing growth in the short to medium-term and without derailing long-term growth prospects in the economy?

If the decision is to put the brake on the current pace of growth, there are two approaches that may be considered. One approach is to slow down the pace of growth first from the demand side, and then from the supply side. The alternative approach is to slow down the pace of growth on the demand and supply sides simultaneously. Both approaches will involve some painful adjustment by all Caymanians over the short and medium-term; and the more suddenly the brake on growth is applied, the greater will be the costs of adjustment.

If the policy approach is to slow down growth from the demand side, then growth in import demand both for labour and for consumer and capital goods should be among the targets of policy action, since the problem of demographic imbalance and the problem of the emergence of rising inflation can be traced to the growth in import demand for these two categories of factors. However, it is not too clear what policy action on the demand side would be effective in slowing down growth in these areas without the support of orthodox demand management policy instruments that would not at the same time aggravate the problems that policy action was intended to resolve in the first place.

Alternatively, if the policy approach is to slow down growth from the supply side, there may be a little more room for policy action to be effective without triggering acceleration in the rate of inflation. In this respect, the target of action for supply-side slower growth policies could probably be investment in those sectors, or in economic activities that utilise a higher proportion of labour relative to capital, even though in a labour-intensive economy such as ours, it is difficult to determine what sectors or what set of economic activities would not use a higher proportion of labour relative to capital. This approach would probably address the problem of demographic imbalance directly, but it would not necessarily address the problem of inflation directly.

Perhaps the approach may have to be a selective mixture of demand-reducing and supply-reducing growth policies aimed at holding growth in the rate of expatriate labour importation, growth in the rate of consumer and capital goods imports (if this could be feasibly achieved) and growth in the rate of inflation constant. This approach would require careful consideration of the adverse effects on those sectors or economic activities regarded as strategic to the international competitiveness of the economy. The adverse effects on residential housing construction would probably not be as great as on commercial construction, since the former is not a strategically productive economic activity in the same sense as the latter, even though a reduction in the rate of residential housing construction could have the effect of pushing up prices in the residential housing market.

#### **3.2. Accompanying Policies**

Whatever demand-reducing, supply-reducing or mixture of demand and supply-reducing growth

policies pursued (if any of such policies should be pursued), they should be backed up by a package of complementary growth stabilising policies in other areas which are also priority areas. These areas should include manpower training and development, and agricultural development.

### **3.2.1. Manpower Training and Development**

Growth-oriented adjustment policies designed to provide and promote manpower training and development cannot be designed and implemented without informed knowledge of where the economy and the Caymanian and non-Caymanian composition of the labour force may be 5 years or 10 years down the line. Therefore, one of the first requirements of such policies must be "hard" information about the likely "short-term", "medium-term", and "long-term" demand for appropriately-trained manpower by sectors and by occupation. Here the emphasis is on appropriately-trained manpower demand, as distinct from "manpower needs" which is information on the statistical manpower needs of employers from the vantage point of a particular year.

The main objective of the growth-oriented adjustment manpower training and development policies proposed here for priority consideration is to bring the supply of trained indigenous manpower more closely in line with the demand. Pursuit of this objective will require development together with the private sector and active implementation of an informed, pragmatic and active manpower training programme.

### **3.2.2. Agricultural Development Policies**

Agricultural development results in the first place from growth in local demand for farm produce, but the ability of agriculture to meet growth in the local demand for farm produce depends partly on policies designed to raise the productive capacity of farms, and partly on policies to improve the productive efficiency of farmers in their allocation and use of farm resources.

I have already indicated that the available information suggests that there is a growing local demand for fresh off-farm and on-farm agricultural produce. Therefore, formulation of policies to assist farmers to achieve productive capacity and productive efficiency to take advantage of this demand appears to be a priority consideration. It is seen as a priority also from the point of view that assisting farmers to develop the capability to meet a proportion of the local demand for fresh agricultural produce will help reduce the economy's inflationary dependence on imported foods. In these respects, Mr. President, I wish to inform this House that the Portfolio responsible for Agricultural Development is currently in the process of developing appropriate policies and programmes.

### **3.2.3. Road Development**

The most urgent road investment projects are those that are needed over the next 2-3 years as indicated in the Master Ground Transportation Plan (MGTP). These are called Phase I Projects in the MGTP and include "construction of a roadway and new alignment (North-South Arterial) from a point opposite Holiday Inn to a new junction with North Sound Road east of George Town". This project, including necessary connections to the existing road network, should be considered a priority investment over the medium-term in order to meet forecasted growth in traffic demand in early 1992.

### **3.2.4. Public Sector Investment Planning: The PSIP**

The free-market development philosophy appropriately limits the visible role of the Government in the economy to public sector investment policy and planning. But the free-market approach does not negate the need for adequate identification, preparation, evaluation, implementation and monitoring of public sector investment projects.

Mr. President, it is debatable whether all our projects - particularly the larger investment projects - have had the benefit of adequate preparation and economic and/or financial appraisal in the past before approval for implementation. While continuation of this approach may have its merits under certain circumstances with some projects, it is a debatable question whether continuation of this approach in all cases would reflect prudent or efficient public management of resources in an economy in which public sentiment seem to be in favour of a slower pace of growth and one in which there is also a finite amount of public resources, and multiple competing demands for these resources. Many of the technical and non-technical problems in the implementation of some public sector investment projects in the past often seem to have had their origin in the manner in which they come to be identified as appropriate solutions to particular economic and social problems, as well as the manner in which decisions were taken to appropriate funds for their implementation. If the problems born of this approach are to be corrected or avoided, then institutional measures need to be adopted to ensure that projects proposed by portfolios and agencies do in fact represent cost-effective or least-cost solutions to the relevant problems or set of problems they are intended to address. This would of necessity involve prioritisation through adequate preparation and appraisal of all public sector investment projects as far as is technically feasible before they are approved for funding, as well as monitoring and evaluation during and after implementation. In this respect, the resuscitation of the Capital Development Committee is a matter of great priority.

Mr. President the 1990 Budget has taken into account the overheating of our economy, a fully committed construction sector and private sector activity that is operating very near its maximum capacity. The 1990 Budget is \$110.9 million, an increase of 7.6% over the approved 1989 Budget. It is really a Budget that retains the purchasing power of the 1989 budget dollar, as inflation during the year is 6.5% (September 1988 vs September 1989). It is sound economic policy for Government to refrain from competing in the economic arena with the Private Sector for capital works, when the economy is stimulated and performing at capacity, and to enter when private sector activity is on a decline. Thus, maintaining a buoyant economy.

Estimated ordinary revenue is \$98.2 million, an increase of 6.2% over the approved 1989 position and includes a \$4.0 million contribution from the CAL Escrow Account; but it excludes revenue from water & sewerage sources, as the Water Authority will become fully autonomous on 1 January 1990. The estimated Recurrent Expenditure (excluding Water Authority) is \$83.8 million, an increase of \$6.5 million or 8.4% over the approved 1989 position. No provision is made for the Civil Service Salary Review, as the report is not yet available, but it is scheduled to be completed by the end of this month. Capital Expenditure is estimated at \$18.3 million (down 1% on approved 1989 position), comprised of \$14.2 million local financing and \$4.0 million loan funds. New Services requested are \$2.4 million.

### CONCLUSION

Mr. President, we as a Government are not equipped to do all things - no Government is equipped with resources to do all things. Some things we can do by ourselves, but most things will have to be done in collaboration with the private sector. Together with the private sector, we should aim to build upon our strengths as a people, while taking concrete steps to address our weaknesses. We may not correct all of them as quickly as we would like, but with the active involvement of the community as a whole, and pooling of efforts in one direction, I am fully confident that we will achieve our desired goals.

Mr. President, I recommend the Appropriations Bill (1990) 1989, proposing an estimated sum for Recurrent, Capital and New Services of \$ 104,434,084. Not included are the Statutory Provisions for loan repayment, pensions and gratuities, amounting to \$6,430,272. The total expenditure is \$ 110,864,356. Thank you, Mr. President.

**12:07 P.M. THE HOUSE SUSPENDED**

**HOUSE RESUMED AT 12:35 P.M.**

**MR. PRESIDENT:** Proceedings are resumed in the House.

### MOTION

**HON. THOMAS C. JEFFERSON:** I beg to move the Motion that the debate on the Budget Address be deferred until Wednesday, 22nd November, 1989.

**MR. PRESIDENT:** The Question before the Honourable House is that the Second Reading Debate on the Appropriation (1990) Bill, 1989, be deferred until Wednesday, 22nd November, 1989. I shall put the question. Those in favour please say Aye...Those against No.

**AYES.**

**MR. PRESIDENT:** The Ayes have it.

**AGREED: THE SECOND READING DEBATE ON THE APPROPRIATION (1990) BILL, 1989, DEFERRED.**

**MR. PRESIDENT:** I will now ask for the Motion for the Adjournment of the House. The Honourable First Official Member.

### ADJOURNMENT

**HON. THOMAS C. JEFFERSON:** I am pleased to move the Adjournment of this Honourable House until Monday, 20th November, 1989.

**MR. PRESIDENT:** The Question is that the House do now adjourn until Monday, 20th November, 1989. Those in favour please say Aye...Those against No.

**AYES.**

**MR. PRESIDENT:** The Ayes have it. The House is accordingly adjourned until 10 o'clock Monday morning, 20th November, 1989.

**AT 2:00 P.M. THE HOUSE STOOD ADJOURNED UNTIL 10:00 A.M., MONDAY, 20TH NOVEMBER, 1989.**

**MONDAY  
20TH NOVEMBER, 1989  
10:12 A.M.**

**MR. PRESIDENT:** Prayers by the Honourable First Official Member.

### **PRAYERS**

**HON. THOMAS C. JEFFERSON:** 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, the Queen Mother, Philip Duke of Edinburgh, Charles Prince of Wales, Diana Princess 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 Members of Executive Council and Members of the Legislative Assembly that they may be enabled faithfully to perform the responsible duties of their high office.

All this we ask for Thy great Name's sake, Amen.  
Our Father, who art in Heaven, Hallowed be Thy Name, Thy Kingdom come, Thy will be done, in earth as it is in Heaven. Give us this day our daily bread: And forgive us our trespasses, as we forgive them that trespass against us: And lead us not into temptation; but deliver us from evil: For Thine is the Kingdom, the power and the glory, for ever 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 His countenance upon us and give us peace now and always. Amen.

**MR. PRESIDENT:** Proceedings of the House are resumed. Papers. The Honourable Member for Health and Social Services.

## **PRESENTATION OF PAPERS AND REPORTS**

### **PUBLIC SERVICE PENSION SCHEME STUDY**

**HON. D. EZZARD MILLER:** Mr. President, in accordance with Standing Orders I beg to lay on the Table of this Honourable House a report for the Cayman Islands Government to determine the underlying costs of the Public Service Pension Scheme.

**MR. PRESIDENT:** So ordered.

**HON. D. EZZARD MILLER:** Mr. President, the Government has recognised that it has a responsibility to the permanent and pensionable civil servants, to the current Pensions Law. Based on this responsibility, the Government retained the services of Towers, Perrin, Forster and company to do an actuarial review to determine exactly, a) What the liability was; and b) what is the notional value of a pension plan as a percentage of pay to each permanent, pensionable civil servant. This exercise is now complete and the answers are contained in the document just laid on the Table of this Honourable House and are as follows: a) The current national liability, as of January, 1989 is approximately \$32,000,000 in terms of a funded Plan; and b) The national value to the civil servant, as a percentage of pay is 15 per cent.

The Government has accepted this report and is discussing with the Civil Service possible methods of funding both the liability and the future costs of the plan.

**MR. PRESIDENT:** Papers, continuing. The Honourable Member for Health and Social Services.

### **CAYMAN ISLANDS' PENSION PLAN**

**HON. D. EZZARD MILLER:** Mr. President, in accordance with Standing Orders I beg to lay on the Table of this Honourable House a report to the Cayman Islands Government by Towers, Perrin, Forster and Crosby, on a Projection of Current and Future Plan Costs of the proposed Cayman Islands Pension Plan.

**MR. PRESIDENT:** So ordered.

**HON. D. EZZARD MILLER:** Mr. President, the debate on a National Pension Scheme for the Cayman Islands started with a Private Member's Motion in 1985. The then Honourable Member for Health,

Education and Social Services retained the services of Mr. Gordon Smith through the good offices of the British Executive Overseas Services. Mr. Smith prepared a draft proposal and did actuarial calculations which determined the cost of funding the plan would be 8 per cent.

For various reasons members of the public, mostly in the form of the Cayman Islands Chamber of Commerce, vehemently opposed this plan and tossed accusations around as to the terrible inaccuracy of that calculation being 8 per cent. Estimates as high as 25 to 30 per cent were postulated by supposedly knowledgeable people in the hierarchy of the Chamber of Commerce.

Shortly after having been given the responsibility for this subject in November of last year, I had a meeting with the Chamber of Commerce to try and establish what their concerns were and to have a meeting of the minds, so to speak, because in their opposition they postulated they were in favour of pensions and recognised there was a need for some form of a compulsory pension scheme in these Islands. As a result of that meeting, and partly due to other concerns, the Government contracted the services of Towers, Perrin, Forster and Crosby from a group of five companies which had made proposals to do this actuarial review. That exercise is also complete and is being Tabled in this Honourable House this morning.

Towers, Perrin, Forster and Crosby were asked by the Government to review the actuarial calculations based on the benefits proposed in the draft done by Mr. Gordon Smith on which he based his calculations in terms of the cost of contributions, with two exceptions: 1) noncontributory pensioners were removed (and we have dealt with that under a separate exercise, which I will deal with in a minute); 2) maternity benefits were removed. Here I think it would be advantageous for the public to know what the benefit package was that was reviewed. Under the proposed plan normal participation in the plan would range from age 16, that is as soon as people leave school and get a job they could become contributors until age 65, which is the retirement age as proposed by this benefit package. However, in certain circumstances retirement age could be deferred to age 70.

**Benefits.** The Plan includes a death benefit to a contributor who dies before age 65 of \$5,000. It envisages invalid pensions, which are based on 20 per cent of the final average earnings over the past three years before the person became an invalid. If the person had contributed between 149 and 501 payments, that is up to 500, then he would be entitled to 20 per cent of his final earnings as an invalidity pension until age 65. If he continued to live after that, he would get a pension exactly equal to what his invalidity pension was but it would then be called a straight pension. If he had contributed for more than 500 weeks, he would get another 1.25 per cent of final earnings for each additional year he had contributed. The maximum benefit being 60 per cent of his final average earnings.

As a retirement benefit one qualifies for a pension once they have contributed 150 weeks and have reached the age of 65. In terms of what the pension would be, I think the easiest way to explain that is to use a simple exercise. For example, if a person was making \$1,000 per month today, his contribution would be 7.5 per cent or \$75 which would be split between him and his employer at the rate of \$37.50 each. So the person earning \$1,000 per month would pay \$37.50 per month as his contribution for the cost of a retirement pension. For that contribution he would get back (using the same \$1,000) a maximum after 42 years of \$600. That is made up as follows: For the first 10 years he would get 2 per cent of his final average earnings (will assume that is \$1,000) or \$200. For the second 10 years he would earn \$125 or 1.25 per cent, and for the third and fourth 10 year periods he would earn the same. A maximum of \$600 after 42 years.

The way the actuarial calculations are structured we have allowed for a 5.5 per cent indexing of that pension. In 40 years that \$600 would equate, being indexed at 5.5 per cent, to \$5,107.99 per month. I must also point out that contributions will also be indexed, so every year there will be a 5.5 per cent increase throughout.

As a benefit the spouse would get 60 per cent of that \$600 or \$360. The plan is based on a maximum earnings of \$25,000. That means if you make \$50,000, the maximum you can pay on is \$25,000. If you make less than \$25,000, you pay whatever the salary is. So the maximum this can cost anyone in this country, based on that \$25,000, is a total of \$156.30 per month or, as far as the person is concerned, \$78.15 from himself and \$78.15 from his employer. He would get, in return for that a pension, after qualifying, \$1,250 per month. The plan provides for survivor benefits and benefits for orphaned children.

Using those contribution rates and that benefit package, the actuaries developed three scenarios: One was a 'pessimistic scenario', the worst possible thing as they saw it, based on the demographics; a 'best estimate', as they saw it based on the present projections and demographics; and a 'most optimistic'. All of these calculations were done on a 50 year horizon, that is, the plan must remain liquid for 50 years based on that contribution rate and at no time during that 50 years will liabilities exceed the assets of the plan. In developing those scenarios they used several actuarial assumptions. The actuarial method used to determine the contribution level is the projection method where a projection period of 50 years' income contribution and investment earnings are projected. Expenditures, benefit payments and administrative expenses, as projected, and new entrants are assumed to enter the system continuously.

Actuarial assumptions used (and for brevity, I will deal with just the best estimate scenario) an annual interest rate of 8.5 per cent per year. They assumed that salaries would increase by 7 per cent per year. They used standard group annuated mortality tables, the termination procedure based on 1,000 as follows: They assumed no early retirement would be allowed. They calculated a disability assumption. They used an inflation rate of 5.5 per cent. They estimated administrative expenses to be .3 per cent of taxable payroll. They assumed spouses, 80 per cent female, 50 per cent female assumed married. They assumed that the wives live 3 years longer. They assumed a work force growth rate of 4 per cent per year for the first 25 years, 2 per cent per year thereafter.

Mr. President, based on the demographics available and those assumptions, the actuaries have determined that in the most pessimistic scenario the contribution rate would be at

8.2 per cent, the best estimate scenario would be a 7.2 per cent and the most optimistic scenario of contributions would be at 6.8 per cent. So I am of the opinion that if we used 7.5 per cent we are in the ball park. Based on their demographics, they have estimated that in 50 years the work force of this country will be at 52,206; the payroll in 50 years will be \$16 billion; the number of participants receiving pay from the pension plan in 50 years would be 18,884 people and the projected cost to the plan of those benefits will be \$2.4 billion, which gives a ratio of work force to participants in pay status of one person receiving pension for every 2.8 (or 3 people to round it off) paying into the plan, which in any scheme is a healthy scenario. They have estimated in 50 years the accumulated assets of the plan will be \$15.7 billion.

The second actuarial review having basically confirmed what the first actuarial review said, we are quite confident that a contribution rate of 7.5 per cent will adequately fund a pension for the people of this country for several years to come. But just to be on the conservative side and to put the minds of the special interest groups and the critics to rest, the Legislation does envisage in the first instance a biannual actuarial review, that is, two years from the day the plan is up and running we will do an actuarial review to determine if we are on the right course. Thereafter, the actuarial reviews will be conducted every three years. The reason for that is that in case there are any changes in the projections, amendments can be made to the contribution rate to ensure that 50 years from the date of each actuarial review, the plan will be liquid.

The Legislation will also call for the annual audited accounts to be Tabled in this Honourable House. I believe the plan proposed is a good safety net for the people of this country. It is not intended for this plan to provide all that is needed for retirement in this country. In fact, the plan is only designed to provide you with a maximum of 60 per cent of \$25,000 of your earnings. I encourage everyone, and will continue to encourage people, to provide for themselves above and beyond that through private means and private pension plans.

There has also been considerable rhetoric by those special interest groups that this idea of a national pension plan is socialistic and Government should stay out of pension provisions and let the private enterprise do it. I was given the answers and computations through a questionnaire that was sent out by the Chamber of Commerce. I had nothing to do with its drafting or its question selection, nor the calculations. But one thing in those calculations jumped off the paper to me: While I believe 77 per cent of all employees surveyed were desirous of a pension plan and thought they should have a pension plan, only 25 or 27 per cent actually had some form of a pension plan.

I believe the Chamber of Commerce and the private sector have had 40 years to put this pension plan in place. I believe those statistics indicate that they have failed miserably. To show the need for such a pension plan as reviewed in this document which is being Tabled today, I asked the actuaries to do a side calculation, as it were, for me. I asked them to calculate what it would cost if every person over 62 years of age in this country today was given a small pension of \$200 per month, what it would represent. Statistics indicate there are 2,315 people in that category. The reason why we chose 62 years is because we need three years to qualify for a pension in this plan, so those people over 62 could not qualify for a pension at 65. If they deferred their pension and worked until they were 70 years old they could qualify.

But to get an idea of what costs we are looking at, I made an arbitrary assumption - you know, not all of those 2,315 people need a pension. We will say only 25 per cent would fail what is presently being done by the Social Services Department means test. If we paid everyone in that plan a pension (those 2,315 people) only \$200 per month, which is a very small pension, it would cost the Government \$43,000,000 from now until they were all dead. We assume in 45 years there would only be 45 people left to pay a pension to. If we paid it to only 25 per cent it would cost \$13 million. If we indexed it for inflation and if we paid everyone it would be \$62 million; if we paid only the 25 per cent it would be \$19 million. That money would be spread over their life-span. I believe that gives an indication of the great need for a national pension plan because if we do not make some provision, I would guesstimate that in five, seven, or 10 years, the funds being paid through the Social Services Department as welfare payments would be approximately \$10 million.

Where do we go from here? The critics, in terms of the actuarial calculations, have been proven wrong. I hope to bring Legislation to propose such a plan as reviewed in the next Session of this Honourable House for consideration by Members.

Thank you.

**MR. PRESIDENT:**  
Recreation and Culture.

Papers, continuing. The Honourable Member for Education,

**CAYMAN TURTLE FARM (1983) LIMITED AUDITED FINANCIAL STATEMENTS  
TO 31ST MARCH, 1989**

**HON. BENSON O. EBANKS:** Mr. President, under Standing Order 18, I beg to lay on the Table of this House the financial statements of the Cayman Turtle Farm, 1983, Limited for the year ending 31st March, 1989.

**MR. PRESIDENT:** So ordered.

**HON. BENSON O. EBANKS:** Mr. President, the statements have been audited and certified by Price, Waterhouse and are in their customary form. The company traded profitably throughout the year although, on the face of it, less so than in 1988, with the net income falling from C\$75,721 in 1988 to C\$7,858 in 1989. There are two reasons for this and they are covered by notes 7 and 8 to the Financial Statements.

The first reason is that during the year one of the company's

suppliers, contrary to instructions, shipped goods destined for the company via the United States of America. As the goods (which incidentally were cosmetics) contained turtle products, the authorities in the United States seized the goods. The company has taken court action to recover an amount of CI\$20,091 which had been prepaid to the suppliers, and although management considers it probable that such an amount will be recovered, the amount has been charged as part of retail expenses for the year because there can be no absolute certainty of recovery of the amount.

The second reason is that calculations done by management reveal a shortfall of approximately \$128,000 between recorded sales and expected sales revenue based on stock utilisation in sales in the gift shop operations. The circumstances surrounding the shortages are under investigation by management and the Royal Cayman Islands Police. Barring these two incidents, the company would have had a record net profit for the year of approximately \$156,000.

**MR. PRESIDENT:** Papers, continuing. The Honourable Member for Communications, Works and Natural Resources.

#### TECHNICAL ADVISORY COMMITTEE REPORT FOR GEORGE TOWN - JUNE 1989

**HON. LINFORD A. PIERSON:** Mr. President, in accordance with Standing Order 18 I beg to lay on the Table of this Honourable House the Technical Advisory Committee Report for George Town, which was prepared in June 1989.

**MR. PRESIDENT:** So ordered.

**HON. LINFORD A. PIERSON:** Mr. President, because of the importance of this report, and also in view of its connection with some proposals within the Master Ground Transportation Plan, I propose to deal with it in some detail.

It was on the 8th of February, 1989, that the Executive Council approved the creation of a Technical Advisory Committee (known as the TAC) for George Town. The TAC comprised of 21 members, 10 of whom were private sector members, one representing the Chamber of Commerce, and also eight Government Members and three representatives of the Central Planning Authority.

The TAC was charged to study George Town in a comprehensive manner and make recommendations for a concept plan for George Town, with particular emphasis on Government facilities. In order to complete the study, the TAC broke into three subcommittees: namely, the design group, the transportation group and the public facilities group. The terms of reference of the committee were so wide it took over three months for the group to complete their studies with a total of 23 meetings, and some 60 hours of time spent in the preparation of the report.

The terms of reference included the background, the purpose of the study, and then gave the product of the study. Background to the terms of reference stated that central George Town functions in several capacities: namely, it is the Capital of the Cayman Islands and its Government's centre, it is the commercial centre, the centre of the financial industry, it is also the location of our cargo and cruise ships port. These various functions, by their nature, create certain conflicts. Thus, the purpose of the study was to identify and assess the problems, review the previous studies which have been done, develop the concept plan for the future of George Town and make a coordinated and integrated recommendation for Government projects in the area.

As a result of the study, in the terms of reference a concept plan for George Town with particular emphasis on Government facilities was decided on. The plan should include recommendations on the following: The Committee looked at the Post Office situation, cruise ship landings, Courts office facilities, cargo facilities, parking, traffic flows, pedestrian walkways, public parks, integrated design concept to improve the general appearance and character of the Capital.

Before continuing, I would like to take this opportunity to thank the following individuals for the sterling job which they did in the preparation of the report with particular thanks to the Chairman, Mr. Arek Joseph, and the Secretary, Mrs. Dace Ground McCoy. As stated, the committee was Chaired by Mr. Arek Joseph. Members of the subcommittee included Mr. Henry Propper, who was in charge of the transportation group; Mr. John Doak, in charge of the design group; and Mr. Billy Reid, who was Chairman of the public facilities group. The general members included Mr. Bill Bissell, Mr. Conrad Rutkowski, Mr. Rupert Ackerman, Mr. Charles Adams, Mr. Bobby Bodden, Mr. Donovan Ebanks, Mr. Peter Riley, Mr. Errol Bush, Miss Carmen Demasso, Mr. Joel Walton, Dr. Atlee McLaughlin and Mrs. Christine Ballard. Other members who participated were Mr. David Arch, Mr. Gordon McLaughlin and Mr. Kenny Ebanks, all of the Central Planning Authority. From the Chamber of Commerce: Mr. Tommy Bodden, Mr. Cameron Bailey (of the design group) was also co-opted to the committee. We would also wish to thank Mr. Eddie Thompson for the many hours of excellent graphic work which he carried out for the committee.

From the start of the project the TAC looked at George Town from a functional perspective. While it is shown that the beautification recommendations would be a part of the final report, the main issue before the Technical Advisory Committee was the question of having to deal with the uncontrolled demands which have been made on all aspects and facilities in George Town, the constant question of how to preserve its vitality while achieving some measure of decongestion.

The Committee looked at six major areas: the roads system, parking, Governmental facilities, cruise ship facilities, urban design and then the financial implications. I would like to briefly touch on an overview of their recommendations.

On the roads system, the Technical Advisory Committee began by identifying the land use patterns in George Town, that is, the retail, commercial and Governmental areas of the town, as well as studying the existing pedestrian and vehicular circulation system. The new proposed road system under the Master Ground Transportation Plan was also carefully reviewed.

*[The First Elected Member for West Bay rose]*

Unless, the Member has a Point of Order I would wish he would not interrupt me.

**MR. W. McKEEVA BUSH:** Mr. President, I rise to draw the attention of the House that we are on 11:00 A.M. and that we would like our questions to be answered, so the relevant Standing Order, Standing Order 23(7) and (8) should be suspended, Mr. President.

Thank you.

#### **SUSPENSION OF STANDING ORDER 23(7) AND (8)**

**HON. THOMAS C. JEFFERSON:** Mr. President, as there is very little business for today and tomorrow, I see no objection to moving the suspension under Standing Order 83 of Standing Order 23 (7) and (8).

**MR. PRESIDENT:** I shall put the question. Those in favour please say Aye...Those against No.

**AYES.**

**MR. PRESIDENT:** The Ayes have it.

**AGREED: STANDING ORDER 23(7) AND (8) SUSPENDED.**

**MR. PRESIDENT:** The Honourable Member continuing.

**HON. LINFORD A. PIERSON:** Thank you, Mr. President.  
In continuing on the roads system, the new roads system proposed under the Master Ground Transportation Plan was also carefully reviewed. At an early stage it became apparent that while expansion of the central business district must be anticipated, the new roads system had not been designed with the expansion of George Town in mind. This conclusion led to a recommendation for an alternative road system which would create an inner road ring and define more clearly the expansion areas for George Town. Transportation analysts from the Public Works Department evaluated this alternative and decided on the recommendations contained herein, but with the view in mind that the recommendations and expansion area in this report would cover the growth over the next 10 year period. Also, on parking, working from the proposed new road system which creates a series of gateways to George Town, the Technical Advisory Committee recommended a series of small surface parking areas located around the periphery of George Town which will allow access to parking without unnecessary trips through George Town.

The Committee also addressed the question of Developmental facilities. The TAC evaluated the various Government facilities with the idea of decongestion and efficient functions as the guiding principles. In order for the Committee to make a recommendation in this area, on site expansion of existing facilities were recommended where practical. It was also recommended that new Government facilities should be generally located along the Elgin corridor leading around George Town. This would be a type of Pall-Mall right on the Elgin Avenue corridor.

We also addressed the question of cruise ship facilities. The brief recommendation (there are more details in the report) stated that so long as cruise ships are handled with tendering facilities, it is recommended the landing remain in its present location. The TAC recommended also a series of small scale improvements which it felt would have a major impact on the problems now associated with the landing area.

On the question of urban design, the TAC looked for urban design solutions which would make George Town more attractive, especially from the point of view of the pedestrians. This would also bring a stronger sense of civic pride to the capital city of the Cayman Islands.

The Committee was mindful of the cost that some of these changes would make and also had a very close look at the financial implications of this report. I will not go into details of the report but I would like, at this point, to touch on one of the short term recommendations for the roads system in George Town.

The first road improvement recommended under the TAC report is the Jennett Street "T", that a "T" be put at the end of the Jennett road as was proposed by the Master Ground Transportation Plan. Once the Jennett "T" is in place, Albert Panton Street should be redesigned to create a more comfortable pedestrian environment. With the completion of the Elgin-Goring connector, Cardinal Avenue should be reduced to one lane of traffic with alternating lay-bys and improved pedestrian amenities. Recommendations have also been made on sidewalks, rights-of-way and, of course, the Committee had a very close look at the Planning practices which obtained in the past and which we are now governed by.

The TAC recommended, under the administrative solutions for



new buildings: 1) We should establish building and sidewalk levels in different parts of George Town, and the Central Planning Authority should enforce at Planning permission stage. In reviewing a building the Central Planning Authority (CAP) should ensure that the sidewalk transition is smooth and level with adjoining surface finish. There is no doubt at all that some very valuable information is contained in this report. I would wish to make the point that this report, which would normally have cost this country around \$300,000, was done free of cost by the members of the Technical Advisory Committee.

the House.

Mr. President, it is my pleasure to lay this report on the Table of

Thank you, Sir.

**MR. PRESIDENT:**  
Aviation and Trade.

Papers continuing. The Honourable Member for Tourism,

### **CAYMAN AIRWAYS LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 1989**

**HON. W. NORMAN BODDEN:** Mr. President, I beg to lay on the Table of this Honourable House the Financial Statements of Cayman Airways for the financial year ending the 30th of June, 1989, with comparative figures for the year 1988.

**MR. PRESIDENT:** So ordered.

**HON. W. NORMAN BODDEN:** Mr. President, the audited financial statements of Cayman Airways Limited shows that the national airline, with the financial assistance of Government through the grant of the annual subsidy, was able to show an operating profit of US\$2,723,605; and after accounting for aircraft lease payments and other non-operating expenses has, for the first time since the break from Lacs Airlines, earned a modest net profit of US\$978,662.

This improved performance has reduced the accumulated deficit of a year ago from US\$20,685,215 to US\$19,706,553. It is significant to note, and worthy of mention, that in this past financial year the company has been able to increase its operating revenue by over \$4 million and at the same time has managed to contain its increase in expenditure to roughly \$2 million, thus producing the favourable results we see here today. This has been the result of high utilisation of good load factors when there was a time of minimum competition. Substantial savings have been experienced in the area of maintenance services due to the fact that within the past year the company has transferred much of its maintenance activity to Grand Cayman at a substantial savings.

The company, based on management decisions, also placed itself in the position to take advantage of the Eastern Airline strike earlier this year, thus taking up the slack and providing a much needed service to the Cayman Islands and to tourism, especially.

It should be pointed out here that in comparing this year's results with the year before, there is actually a \$2 million improvement in the net profit position, since the \$1,770,268 net loss in 1988 has been turned around to a \$978,662 net profit in 1989. When one considers the large accumulated deficit of the airline through the years, this is, indeed, only a modest profit. Nevertheless, in this age of strong competition and high and ever increasing costs, this commendable performance is a tribute to the hard work of the airline's Chairman, Mr. Neil Cruickshank, the Board of Directors, the management, the Managing Director and those members of staff who are loyal and dedicated to the airline. I take this opportunity to sincerely thank them and would encourage them to keep up the good work they are doing, not only for Cayman Airways but for the country as well.

With losses mounting for most airlines around the world, just to remain in the airline business today is an accomplishment in itself. Needless to say, the factors of increased competition from four major U.S. carriers is causing very serious concern and will figure most prominently in the operating results in the future.

An airline which has been plagued with financial difficulties from its inception, an airline to which its struggle for survival is no stranger, and in meeting the competition, Cayman Airways is determined that its safe, dependable record and its reputation for high quality services will not be compromised in any respect. But as a small financially weak airline, there is a limit as to the level of competition it can stand. I know, and am fully aware, that Government is actively pursuing the matter of excess capacity through the proper channels, but the final outcome is bound to have a forceful bearing on the national flag carrier's future. As Cayman Airways strives to maintain its rightful role in the order and development of our country's air services, as it takes the name and flag of the Cayman Islands to new destinations, such as New York in December of this year, there are bound to be long term benefits for tourism. But it is going to take the continuation of Government's financial support, the loyalty of the travelling public and all of our combined efforts to help the airline not only survive, but become stronger and successful.

I believe it is important to the Cayman Islands and it is most important to the Caymanians who depend on Cayman Airways for their jobs, this we have to do to ensure the airline continues to serve the Cayman Islands at the level we would all desire.

Thank you, Mr. President.

**MR. PRESIDENT:**

Thank you.  
Proceedings are suspended for 15 minutes.

AT 11:15 A.M. THE HOUSE SUSPENDED

HOUSE RESUMED AT 11:55 P.M.

**MR. PRESIDENT:** Proceedings of the House are resumed. Questions. Question number 104, the Second Elected Member for the Lesser Islands.

### QUESTIONS TO HONOURABLE MEMBERS

**THE SECOND ELECTED MEMBER FOR THE LESSER ISLANDS TO ASK THE HONOURABLE ELECTED MEMBER RESPONSIBLE FOR HEALTH AND SOCIAL SERVICES**

**NO. 104:** Would the Honourable Member say if there are any planned improvements for the Faith Hospital in Cayman Brac and, if in the affirmative, when will these improvements be started?

**HON. D. EZZARD MILLER:** Yes, Faith Hospital in Cayman Brac will be improved as part of the overall development of the health facilities and Health System Plan now being carried out. The organisation and support services required in order to affect a high quality continuum of patient care and cost effectiveness for the Faith Hospital is now under review. It is anticipated that this will include improvements to the physical plant, as well as policies and procedures.

The final report on the Health Facility and Health System Plan will not be ready until the end of December, so I am unable to provide specific recommendations for improvement at this point. I am able to say, however, that in addition to forming a part of the main plan, the specific recommendations for Faith Hospital will be compiled as a sub-section of the report so that the Member will be able to study the recommendations in their entirety. Since the final report has not been presented or accepted, no schedule of improvements has been drafted.

#### SUPPLEMENTARY:

**MR. GILBERT A. McLEAN:** Mr. President, would the Member say if there have been any requests at all from District Administration for improvements which need to be immediately done prior to receiving the overall study?

**HON. D. EZZARD MILLER:** Mr. President, I am not aware of any improvements that are needed immediately. There was a submission in the 1989 Budget of \$100,000 which was to structurally change the building, but it really was not going to improve patient flow, nor patient care. I think they were planning to spend \$100,000 for an addition which, in actual fact, was going to complicate rather than help the delivery process.

**MR. PRESIDENT:** Question number 105. The Second Elected Member for the Lesser Islands.

**THE SECOND ELECTED MEMBER FOR THE LESSER ISLANDS TO ASK THE HONOURABLE ELECTED MEMBER RESPONSIBLE FOR EDUCATION, RECREATION AND CULTURE**

**NO. 105:** Would the Honourable Member say what is being done by the education authorities to prepare for the impending National Curriculum which is soon to replace the 'GCSE' in the United Kingdom and which will affect the education system in the Cayman Islands?

**HON. BENSON O. EBANKS:** The National Curriculum being introduced in the United Kingdom education system is not a replacement for the 'GCSE' examinations, but is rather complementary to it. 'GCSE' will remain as the International 16 plus examination.

The Education Portfolio and Department are monitoring developments in the introduction of the National Curriculum in the United Kingdom, with a view to taking action appropriate to the future educational needs of the Cayman Islands. The Member should also be aware that the areas of curriculum development and examinations are specifically targeted for scrutiny during the consultancy on Education in the Cayman Islands which will begin in January next year.

#### SUPPLEMENTARIES:

**MR. GILBERT A. McLEAN:** Mr. President, would the Member say (in light of the fact that there will be a development in education through the National Curriculum) if anyone locally has been identified for the Department who will specifically monitor and work with these particular changes?

**HON. BENSON O. EBANKS:** Mr. President, the situation is being monitored generally. No decision has been taken to implement the National Curriculum locally. This will depend on what transpires in the United Kingdom.

**MR. PRESIDENT:** The First Elected Member for Bodden Town.

**MR. ROY BODDEN:** Thank you, Mr. President.  
I wonder if the Honourable Member could say if in adopting a particular examination curriculum any consideration is given to alternative exams?

**HON. BENSON O. EBANKS:** Mr. President, that is specifically what is meant in the answer. The curriculum development and the examinations are specifically targeted for scrutiny during the consultancy on education in the Cayman Islands.

**MR. ROY BODDEN:** Perhaps, Mr. President, if I phrased the question this way the Honourable Member may understand what I am driving at: In the case of the 'GCSE' what is the alternate exam?

**HON. BENSON O. EBANKS:** Mr. President, it may not be necessary to introduce an alternative exam to the 'GCSE'. It will be examined in light of developments and basically what could be achieved locally, rather than what is being done in the United Kingdom - similar to what was done when the 'GCSE' was introduced.

**MR. ROY BODDEN:** Thank you, Mr. President.  
I would like to ask the Honourable Member if any consideration has been given to a school-leaving examination specifically designed for National Accreditation and use?

**HON. BENSON O. EBANKS:** Locally, no, Mr. President. No decision has been taken. As I said, once the picture has emerged completely in the United Kingdom and it is known exactly how it will affect Cayman or other overseas territories, we will have to come up with a decision tailored to suit our own needs which could very well be a combination of many of the systems and examinations that we know no, or a totally different exam.

**MR. GILBERT A. McLEAN:** Mr. President, would the Member not agree, by what he has said, that there is a process expected which, perhaps, is ongoing in the United Kingdom, where the National Curriculum might, indeed, replace the 'GCSE' and we would find a situation here where we should be looking for some national alternative as well?

**HON. BENSON O. EBANKS:** Mr. President, as I understand it there is no immediate possibility of the National Curriculum replacing the 'GCSE'. The National Curriculum is a curriculum mandated by Law and also other tests and achievement criteria which will be assessed over the entire life of the student. Four examinations are proposed, to the best of my knowledge, at seven, 11, 14 and 16. They will still take the 'GCSE' examination. There has been no proposal, to the best of my knowledge, to change the 'GCSE'. Maybe in the case of those students that are unable to take the 'GCSE' there will be a final assessment which, combined with the assessment throughout the educational life of the child will be regarded as the final assessment, in those cases. But, certainly, children who can take the 'GCSE' will continue to do it. That is the situation as I see it.

**MR. PRESIDENT:** The next question please. Number 106, the Second Elected Member for the Lesser Islands.

#### **THE SECOND ELECTED MEMBER FOR THE LESSER ISLANDS TO ASK THE HONOURABLE ELECTED MEMBER RESPONSIBLE FOR INTERNAL AND EXTERNAL AFFAIRS**

**NO. 106:** Would the Honourable Member say: a) Whether the Cayman Islands, either directly or through the United Kingdom, has any diplomatic relationships with South Africa, and if so, what are they; and b) Whether there are any restrictions on trade, business or any other areas of relationships with South Africa, either directly or through the United Kingdom?

**HON. J. LEMUEL HURLSTON:** Foreign Affairs (including diplomatic relations) of dependent territories is a responsibility of the Government of the United Kingdom and is discharged through its secretary of State for Foreign and Commonwealth Affairs. The United Kingdom has always maintained diplomatic relations with South Africa and facilitates relations by and through the means of an Embassy. There are no legal restrictions on trade, commerce or any other similar business with South Africa impacting upon the Cayman Islands or the Government of the United Kingdom. In any event, the Cayman Islands follows the United Kingdom's position in such matters.

#### **SUPPLEMENTARIES:**

**MR. GILBERT A. McLEAN:** Mr. President, would the Honourable Member say, in light of his reply, that the Cayman Islands is in a most unique and unusual situation in the Caribbean that we can, and perhaps do, trade our business with South Africa?

**HON. J. LEMUEL HURLSTON:** Mr. President, first of all, the Cayman Islands are not unique, we

are one of five dependent territories in this region. But, yes, it is true there are no specific trade restrictions in place in the Cayman Islands in respect to trading with South Africa.

**MR. GILBERT A. McLEAN:** Mr. President, could the Honourable Member say if the Cayman Islands Government at any time considered making representations that it would not wish to share the present arrangement between South Africa and the United Kingdom?

**HON. J. LEMUEL HURLSTON:** Mr. President, the substantive answer says that in any event the Cayman Islands follows the position of the United Kingdom Government, simply because foreign affairs is a subject for which the United Kingdom Government reserves current responsibility.

**MR. GILBERT A. McLEAN:** Mr. President, is the Member saying that the Cayman Islands are impotent to make any representation to the United Kingdom Government, in the light of knowledge of what South Africa does and the world's opinion on a whole, that the Cayman Islands could not disagree or make representations to the United Kingdom disagreeing with the present arrangement?

**HON. J. LEMUEL HURLSTON:** Mr. President, as a country we are certainly not impotent to make representation. I was simply pointing out that it is not our responsibility to decide on matters which the United Kingdom Government has reserved for itself on behalf of all of its dependent territories. We are certainly at liberty to make representation, but we do not have the ultimate decision making responsibility.

**MR. GILBERT A. McLEAN:** Mr. President, would the Member say, then, whether there could be any truth to suggestions which have appeared in the foreign press from time to time, that embargoes against South Africa are certainly watered down or made meaningless, to some extent, by South Africa being able to do business with companies in the Cayman Islands?

**HON. J. LEMUEL HURLSTON:** Mr. President, I would be grateful if the Member, for the benefit of the House, could quote some references of the source of the articles he is referring to. I am not familiar with the point being raised at all.

**MR. GILBERT A. McLEAN:** Mr. President, he has really put me on the spot. I do not have the particular clipping with me. I do have at least two - one appeared in *Time* magazine - but I do not have them with me.

**MR. PRESIDENT:** I think the Member cannot comment until you do produce them.

**MR. GILBERT A. McLEAN:** Yes, Mr. President, well done.

**MR. PRESIDENT:** If there are no further supplementaries, question number 107, the First Elected Member for West Bay.

#### **THE FIRST ELECTED MEMBER FOR WEST BAY TO ASK THE HONOURABLE ELECTED MEMBER RESPONSIBLE FOR TOURISM, AVIATION AND TRADE**

**NO. 107:** Can the Honourable Member say whether the ruling of the Federal Aviation Administration (FAA) for checks on the 737-400s will have any effect on Cayman Airways Limited (CAL)?

**HON. W. NORMAN BODDEN:** The recent FAA bulletin regarding checks to be carried out on the door bolts of certain B-737s has no effect on the two B737-400 aircraft operated by CAL.

**MR. PRESIDENT:** There would appear to be no supplementaries. Question 108, the First Elected Member for West Bay, please.

#### **THE FIRST ELECTED MEMBER FOR WEST BAY TO ASK THE HONOURABLE ELECTED MEMBER RESPONSIBLE FOR TOURISM, AVIATION AND TRADE**

**NO. 108:** Can the Honourable Member say whether any checks were made, including C and D checks, prior to releasing the 727 aircraft, since the agreements for sale with Alaska Air and, if any, who paid for them?

**HON. W. NORMAN BODDEN:** No C and D checks were carried out on the B727-200 aircraft prior to their delivery to Alaska Air.

#### **SUPPLEMENTARIES:**

**MR. W. McKEEVA BUSH:** Mr. President, I wonder if the Member could say whether the checks were made after they were released?

**HON. W. NORMAN BODDEN:** Mr. President, I could not say whether they were made after the release or not. I could explain that the requirement for the C and D checks would be based on the maintenance programme under which Alaska Airlines operate because that would be in accordance with the Federal Aviation Agency and they would dictate whether Alaska Air had to do the checks or not.

**MR. PRESIDENT:** The Third Elected Member for George Town.

**MR. TRUMAN M. BODDEN:** Mr. President, can the Member say whether the obligation to do the C and D checks within a specific time was inserted in the agreement? Is the obligation on them to deal with the C and D checks?

**HON. W. NORMAN BODDEN:** Mr. President, we could not place that obligation on Alaska Air or any U.S. company operating a 727 or any type of aircraft. That is an arrangement between the Federal Aviation Agency, under which their aircraft are registered and operates. It would be a matter between the company and that agency.

**MR. PRESIDENT:** The Second Elected Member for the Lesser Islands.

**MR. GILBERT A. McLEAN:** Mr. President, would the Member say if he has any knowledge of Alaska Air prior to putting these planes into service, having these planes examined or checked in Oklahoma?

**HON. W. NORMAN BODDEN:** I cannot say, Mr. President, where they were checked, whether it was Oklahoma or somewhere else. But I am sure that after Alaska Air took delivery of the aircraft, they had certain procedures to follow before introducing that aircraft into their system and putting it into operation. I am sure they must have conducted the necessary maintenance checks to satisfy themselves and the U.S. authorities.

**MR. W. McKEEVA BUSH:** Can the Member say whether those maintenance checks would include the C and D checks?

**MR. PRESIDENT:** Excuse me, I think this is going beyond the original question. What is done to those aircraft after they are sold is not the responsibility of Cayman Airways or the Member. That is beyond the question.

**MR. W. McKEEVA BUSH:** Mr. President, I am trying to establish whether they did carry out any checks or whether they are going to have to.

**MR. PRESIDENT:** You are making a statement. Would you ask the question?

**MR. W. McKEEVA BUSH:** I have to make a statement to clarify my question.

**MR. PRESIDENT:** I have already ruled that supplementary...

**MR. W. McKEEVA BUSH:** Thank you, Sir.

**MR. PRESIDENT:** Thank you. Just for the benefit of the House, to make clear the ruling, what happens to the aircraft is not the responsibility of Cayman Airways nor the Honourable Member after they are sold.

The Third Elected Member for George Town.

**MR. TRUMAN M. BODDEN:** Mr. President, can the Member say whether one of the main reason for the sale of these jets was the fact that C and D checks were necessary shortly, by Cayman Airways?

**MR. PRESIDENT:** I do not think that arises from the question either.

**MR. W. McKEEVA BUSH:** Can the Member say whether he knows if they were going to do these checks or not, Mr. President?

**MR. PRESIDENT:** That does not arise either. Next question, number 109. The First Elected Member for West Bay.

**THE FIRST ELECTED MEMBER FOR WEST BAY TO ASK THE HONOURABLE ELECTED MEMBER RESPONSIBLE FOR COMMUNICATIONS WORKS AND NATURAL RESOURCES**

**NO. 109:** Can the Honourable Member say what is the composition of the Committee for the proposed Landing Jetty for West Bay?

**HON. LINFORD A. PIERSON:** The appointed members of the West Bay Landing Committee were:

David Vousden- Chairman/Coordinator Natural Resources Lab  
Gina Ebanks- Natural Resources Lab  
Tim Hubbell- Deputy Director of Tourism  
Errol Bush- Port Director  
Sara Webster- Lands & Survey  
Peter Barlas- Coastal Planner  
Parke Patterson- Planning  
Peter Riley- Architect  
Donovan Ebanks- Chief Engineer, PWD  
Gwynne Thompson- Asst. Secretary, Portfolio CW&NR

**SUPPLEMENTARIES:**

**MR. PRESIDENT:** The First Elected Member for Bodden Town.

**MR. ROY BODDEN:** Thank you, Mr. President.  
Can the Honourable Member say what was the terms of reference of the Committee?

**HON. LINFORD A. PIERSON:** Yes, Mr. President. Following the terms of reference, even though I might mention the report is scheduled to be laid on the Table of the House during this meeting and those details are provided therein, but I would be happy to provide the terms of reference.

1. To identify the need for such a facility within West Bay, both from the point of view of the residents and the tourists and cruise ship operators.
2. To ascertain the format and structure that such a facility might take.
3. To identify the requirements of such a facility in terms of land and finance, this, to include rough estimated revenue required for infrastructure and tourist support facilities, as well as the potential necessary development of West Bay to accommodate these tourists.
4. The detailed effects that such a facility would have on the coastal environment, with particular reference to Marine Parks and the important watersports related tourism.
5. The Committee was charged with the responsibility to resolve this problem if at all possible and to make every effort to accommodate the needs of the cruise ships and their passengers, the West Bay community, and the Cayman Islands as a nation, with due regard for other involved parties and areas.
6. The study was to be called the West Bay Landing Feasibility Study and the Committee to be called the West Bay Landing Committee.

**MR. PRESIDENT:** The Third Elected Member for George Town.

**MR. TRUMAN M. BODDEN:** Mr. President, would the Honourable Member please say how many of the 10 Committee members were residents of West Bay with a specific knowledge in this area?

**HON. LINFORD A. PIERSON:** Mr. President, the assistant Scientific Officer is a qualified biologist and she grew up and lives in West Bay, as far as I am aware.

**MR. PRESIDENT:** The Third Elected Member for West Bay.

**MR. JOHN D. JEFFERSON JR.:** Thank you, Mr. President.  
I wonder if the Member would say why some of the established members, especially with some background in the value of the ocean, were not appointed part of this Committee?

**HON. LINFORD A. PIERSON:** Mr. President, in the selection of this Committee, the whole idea was to have an objective and professional evaluation of the situation. The members of this Committee were named to the Committee because it was felt they could offer the service.

**MR. PRESIDENT:** The Third Elected Member for George Town.

**MR. TRUMAN M. BODDEN:** Mr. President, would the Honourable Member say whether he feels that experienced people from West Bay, such as Captains, would not have presented an objective picture of it? Why did he exclude them?

**HON. LINFORD A. PIERSON:** Mr. President, this is why I was saying had the Members had time to read the report before asking these questions many of the questions would not be necessary here today because a questionnaire was, in fact, sent around to all the residents in that immediate area and other areas. The report will show the many people who were contacted who it was felt would be in a position to offer any advice which would have assisted the Committee in forming their opinion in this report.

**MR. W. McKEEVA BUSH:** The Member is saying the report is to be laid on the Table, Mr. President. Can he say when Members got this report?

**MR. PRESIDENT:** I think we are straying from the membership of the Committee, but are you able to answer that question?

**HON. LINFORD A. PIERSON:** It is my understanding, Mr. President, the report came down last Thursday and the First Elected Member for West Bay was aware that this report was to be laid during this sitting.

**MR. W. McKEEVA BUSH:** Mr. President, I think an inference is being drawn here, and in all honesty I would hope that the Honourable Member knew when my question was put in. Today is only Monday. He is talking about last Monday like that was three weeks ago.

**MR. PRESIDENT:** I am not quite sure of the relevance of that, but we will let it pass. Any further supplementaries?

Question number 110, the Second Elected Member for Bodden Town, please.

#### **THE SECOND ELECTED MEMBER FOR BODDEN TOWN TO ASK THE HONOURABLE ELECTED MEMBER RESPONSIBLE FOR COMMUNICATIONS, WORKS AND NATURAL RESOURCES**

**NO. 110:** Can the Honourable Member say at what stage does the Government assume responsibility for roads and street lights in a sub-division which has been privately developed?

**HON. LINFORD A. PIERSON:** Government assumes road maintenance responsibility for subdivision roads by letter to the developer when the road is constructed to suitable standards. Street lights are installed as the area develops and funds are available.

#### **SUPPLEMENTARIES:**

**MR. PRESIDENT:** The First Elected Member for the Lesser Islands.

**CAPT. MABRY S. KIRKCONNELL:** Thank you, Mr. President.  
Would the Honourable Member state if the street lights are installed at the expense of Government?

**HON. LINFORD A. PIERSON:** The answer to the supplementary, Mr. President, is yes.

**MR. PRESIDENT:** The Second Elected Member for Bodden Town.

**MR. FRANKLIN R. SMITH:** Mr. President, I wonder if the Honourable Member could explain when roads come up to suitable standards?

**HON. LINFORD A. PIERSON:** Mr. President, there are certain standards which are applied by Public Works and when they are brought up to this standard of spray and chip, when the first application has been applied, then Government will come in and assist with maintenance works.

**MR. FRANKLIN R. SMITH:** Mr. President, I am not sure that is the correct answer. I asked for when they assume responsibility that is suitable.

**HON. LINFORD A. PIERSON:** Mr. President, with respect to the Member, suitability is a relative word. I do not know what he means by that. Maybe he could explain a little further by what he means as being suitable.

**MR. FRANKLIN R. SMITH:** Mr. President, I wonder if the Honourable Member could say why some subdivision roads are black topped with barber green and some just chip and spray? How does that meet the suitability?

**HON. LINFORD A. PIERSON:** Mr. President, it is my understanding from the Public Works Department that a part of the standard for subdivision roads or Government's requirement is not that they have to be barber green. If this is done, it is done by the private developer.

- MR. PRESIDENT:** The Third Elected Member for George Town.
- MR. TRUMAN M. BODDEN:** Mr. President, following on the supplementary of the Member for Bodden Town, could the Honourable Member say why subdivisions with similar standards which are approved by Public Works have been taken over by Government and some have not? Or have all of them been taken over?
- HON. LINFORD A. PIERSON:** Mr. President, perhaps the Member could be more specific and tell us which ones he is talking about.
- MR. TRUMAN M. BODDEN:** Mr. President, I am asking him if he has taken over all of the roads which are up to Public Works' standards or do they pick and choose the ones which are taken over by Government?
- HON. LINFORD A. PIERSON:** Mr. President, as the answer said, Public Works will assume the maintenance of these roads and this is not done on a selective basis. It is done: 1) when these roads have been brought up to Public Works standards; and 2) when funds are available.
- MR. PRESIDENT:** The First Elected Member for West Bay.
- MR. W. McKEEVA BUSH:** Supplementary, Mr. President. Can the Honourable Member say if there are roads in this country that are not sprayed and chipped? We are talking about standards, he mentioned that as a standard. Can he say there are roads in this country not sprayed and chipped with street lights placed on those streets?
- HON. LINFORD A. PIERSON:** The answer, Mr. President, is yes.
- MR. PRESIDENT:** The Elected Member for East End.
- MR. JOHN B. McLEAN:** Supplementary, Mr. President. I wonder if the Honourable Member could say whether or not he is aware of any roads in recent times in certain subdivisions which were not up to the standards of Public Works, as mentioned awhile ago, and they did assume responsibility for them?
- HON. LINFORD A. PIERSON:** Mr. President, I am not aware of any such roads. Perhaps the Member would please to inform me of what he is talking about.
- MR. JOHN B. McLEAN:** I will do so, Sir.
- MR. PRESIDENT:** There seem to be no more supplementaries. Question number 111, the Second Elected Member for Bodden Town, please.

**THE SECOND ELECTED MEMBER FOR BODDEN TOWN TO ASK THE HONOURABLE ELECTED MEMBER RESPONSIBLE FOR COMMUNICATIONS WORKS AND NATURAL RESOURCES**

**NO. 111:** Can the Honourable Member say whether funds have been proposed in the 1990 Budget for the construction of an abattoir in Lower Valley?

**HON. LINFORD A. PIERSON:** I regret to say there are no funds so proposed.

**SUPPLEMENTARIES:**

- MR. FRANKLIN R. SMITH:** Mr. President, I wonder if the Honourable Member could say why there were no funds proposed?
- HON. LINFORD A. PIERSON:** Mr. President, the answer to this, as in the same case as other items, the Budget would not allow for this item to be included.
- MR. W. McKEEVA BUSH:** Mr. President...
- MR. PRESIDENT:** Just excuse me one moment. Two Members were up together. Fine. The First Elected Member for West Bay, please.
- MR. W. McKEEVA BUSH:** Mr. President, can the Honourable Member say whether the abattoir was a priority or not?
- HON. LINFORD A. PIERSON:** Mr. President, I think in answering this I should mention that this is one of the many items within the Agricultural Development Plan and, yes, it is one of the many priorities of this Government at this point in time. We are seriously looking into this matter. As a matter of fact, I would mention that it should be now easier, having listened to the Budget debates, since it highlighted the need for Agriculture in this



country.

**MR. W. McKEEVA BUSH:** Supplementary, Mr. President. Is the Honourable Member saying he is going to get supplementary funds then for the establishment of this abattoir?

**HON. LINFORD A. PIERSON:** Mr. President, what I am really saying is that as soon as I get the report on the Agricultural Development Plan there are a number of measures which would be taken and the abattoir will be one of those such measures. Yes, it may be necessary for me to come to the Finance Committee for supplementary funds at that point.

**MR. FRANKLIN R. SMITH:** Mr. President, I wonder if the Honourable Member could explain why the sum of \$3,502 is included this year for professional fees for the abattoir?

**MR. W. McKEEVA BUSH:** You had no business promising it to him. [Laughter]

**HON. LINFORD A. PIERSON:** Mr. President, those funds were allocated to complete the design work for the abattoir.

**MR. FRANKLIN R. SMITH:** Mr. President, I wonder if the Honourable Member could say how many times a plan like this has to be completed or go for drawings?

**HON. LINFORD A. PIERSON:** Mr. President, I am at a loss as to what the Member is trying to ask me. It does take some stages for a plan to be completed. You have preliminary plans, final plans, you have different stages of plans. But I leave these technicalities to my Public Works Department.

**MR. FRANKLIN R. SMITH:** Mr. President, I wonder if the Honourable Member could say if the abattoir proceeded as planned in 1989 along side of the now Farmers Market, would these same plans have to be drawn up again?

**HON. LINFORD A. PIERSON:** Mr. President, there were no funds available in the Budget in 1989 for the completion of the plans.

**MR. FRANKLIN R. SMITH:** While I understand that, and I believe I understand the Budget as much as the Honourable Member, could he say whether the plans for the abattoir were already drawn up and funds taken out in 1988 and not put into the Budget in 1989 for it; but the plans were there already?

**HON. LINFORD A. PIERSON:** Mr. President, the plans were not completed in 1988.

**MR. W. McKEEVA BUSH:** Supplementary, Mr. President. Had plans been started?

**HON. LINFORD A. PIERSON:** The answer, Mr. President, is yes.

**MR. W. McKEEVA BUSH:** So what is the total cost of the plans?

**HON. LINFORD A. PIERSON:** Mr. President, the fees committed for consultancy were \$66,160. The consultancy fees paid to date is \$24,200.

**MR. PRESIDENT:** The Elected Member for East End.

**MR. JOHN B. McLEAN:** Mr. President, I wonder if the Member could say by whom the plans in question were drawn?

**MR. PRESIDENT:** I think we are getting a long way from the original question, but let us take this last one. I am waiting for the Member to answer it.

**HON. LINFORD A. PIERSON:** Mr. President, the plans were drawn up by a specialist firm, Risling, from Florida, and the local firm was Chalmers, Gibbs. It might be helpful, Mr. President if I gave a little further information on this because some of the Members seem to be a little confused on it.

**MR. PRESIDENT:** I hate to interrupt yet again, but having said we seem to have exhausted the question, I think that perhaps we could leave it.

**HON. LINFORD A. PIERSON:** Thank you, Sir.

**MR. PRESIDENT:** Next question, number 112. The First Elected Member for Bodden Town, please.

**THE FIRST ELECTED MEMBER FOR BODDEN TOWN TO ASK THE HONOURABLE THIRD OFFICIAL MEMBER RESPONSIBLE FOR INTERNAL AND EXTERNAL AFFAIRS**

**NO. 112:** Can the Honourable member say whether horses are still being ridden along the West Bay Beach?

**HON. J. LEMUEL HURLSTON:** I have information which confirms that horses are still legally being ridden along the Seven Mile Beach, if this is indeed the beach being referred to.

**SUPPLEMENTARIES:**

**MR. PRESIDENT:** Normally the first supplementary would go to the asker of the question. Give him a moment to digest it. The Elected Member for East End, in that case.

**MR. JOHN B. McLEAN:** Mr. President, I wonder if the Member could state what he means by riding a horse legally?

**HON. J. LEMUEL HURLSTON:** By that, Mr. President, I mean that in so far as the riding is concerned, there is no breach of the Law taking place.

**MR. JOHN B. McLEAN:** Mr. President, I wonder if the Honourable Member could say whether or not the police have patrolled the Seven Mile Beach area and observed how horses are ridden?

**HON. J. LEMUEL HURLSTON:** Within the capacity of the police resources, Mr. President, the answer is yes.

**MR. PRESIDENT:** The First Elected Member for West Bay.

**MR. W. McKEEVA BUSH:** Mr. President, is the will of the House going to be enforced on this matter?

**HON. J. LEMUEL HURLSTON:** Mr. President, as and when the will of this Honourable House is placed in the form of a law. One can only go by the statute at the moment.

**MR. W. McKEEVA BUSH:** Is there going to be such a law, Mr. President?

**HON. J. LEMUEL HURLSTON:** Until such time as there is a law, the status quo remains, Mr. President.

**MR. W. McKEEVA BUSH:** Mr. President, I asked the Honourable Member whether there is going to be such a law?

**HON. J. LEMUEL HURLSTON:** Mr. President, the Government is considering the matter quite carefully.

**MR. PRESIDENT:** If there are no further supplementaries, that must be a record for Question Time. It is 12:40, perhaps we might suspend for lunch rather than getting into a complete block of new business. Proceedings are suspend, therefore, until 2:10 P.M.

**AT 12:40 P.M. THE HOUSE SUSPENDED**

**HOUSE RESUMED AT 2:15 P.M.**

**MR. PRESIDENT:** Proceedings of the House are resumed. Item 4 on today's Order Paper. Government Business - Bills, First Reading.

**GOVERNMENT BUSINESS**

**BILLS**

**FIRST READING**

**THE APPROPRIATION (AMENDMENT) BILL, 1989**

**CLERK:** The Appropriation (Amendment) Bill, 1989.

**MR. PRESIDENT:** A Bill entitled, The Appropriation (Amendment) Bill, 1989, is deemed to have been read a first time and is set down for second reading.

**MR. PRESIDENT:** Bills, Second Reading.

## **SECOND READING**

### **THE APPROPRIATION (AMENDMENT) BILL, 1989**

**CLERK:** The Appropriation (Amendment) Bill, 1989.

**MR. PRESIDENT:** The Honourable First Official Member.

**HON. THOMAS C. JEFFERSON:** Mr. President, I beg to move the Second Reading of a Bill entitled, A Bill for a Law to amend the Appropriation Bill, 1989. It is a short amendment and the explanation for the amendment is that in Finance Committee, while dealing with the Appropriation Law, 1989, we made certain changes in the numbers in the schedule and nobody can really explain why we did not change section 3 to read the correct figure as shown in the schedule. Therefore, we wanted to ensure that the Appropriation Law got amended before the year 1989 expired. The amendment is really inserting in section 2 of the Law the correct expenditure of \$96,908,042.

**MR. PRESIDENT:** The question is that a Bill entitled, The Appropriation (Amendment) Bill, 1989, be given its Second Reading. The Motion is open for debate. No Member wishes to speak? The Motion is that a Bill entitled, The Appropriation (Amendment) Bill, 1989, be given its Second Reading.

I shall put the question. Those in favour please say Aye...Those against No.

**AYES.**

**MR. PRESIDENT:** The Ayes have it.

**AGREED: THE APPROPRIATION (AMENDMENT) BILL, 1989, GIVEN A SECOND READING.**

**MR. PRESIDENT:** Bills, First Reading.

## **FIRST READING**

### **THE LABOUR (AMENDMENT) BILL, 1989**

**CLERK:** The Labour (Amendment) Bill, 1989.

**MR. PRESIDENT:** A Bill entitled, The Labour (Amendment) Bill, 1989, is been deemed to have been read a first time and is set down for second reading.  
Bills, Second Reading.

## **SECOND READING**

### **THE LABOUR (AMENDMENT) BILL, 1989**

**CLERK:** The Labour (Amendment) Bill, 1989.

**MR. PRESIDENT:** The Honourable Member for Tourism, Aviation and Trade.

**HON. W. NORMAN BODDEN:** Mr. President, I beg to move the Second Reading of a Bill entitled, A Bill for a Law to amend the Labour Law. The Labour Law, 1987, Law 30 of 1987, was passed by this Honourable House on the 9th day of December, 1987, and came into operation on the 1st of February, 1988. This was after many months of deliberations by a Committee of the whole House which was charged with the responsibility of producing Labour Legislation. I had the honour of successfully piloting the Bill through its various stages and I was grateful to Members for their support at that time. I trust these necessary and important amendments will receive similar treatment.

I recall pointing out, at the time, that the Labour Law was intended to provide a measure of well balanced protection for both employers and employees. It was intended to set minimum standards of working conditions. It would, in fact, place into Law (and thereby clarify generally what has been customary and already being practiced in regards to most employer-employee working relationships); and additionally, that no claim was being made to its perfection and, undoubtedly, there would be need for amendments to be made once the Law had been applied for a period of time. It is my view that the Law, in spite of predictions to the contrary by many, has worked reasonably well. I also believe the time has come for some amendments to be made.

These amendments have been prepared as a result of representations made by the Director of Labour who administers this Law on a day-to-day basis, and also because of letters of recommendations and suggestions which I have received from various individuals and organisations over the past year. These amendments are intended to clarify, correct and strengthen certain sections of the Law that will, hopefully, assist with the easy application of this Law to the diverse and sometimes difficult cases which we find must be resolved. Here I must say that the Director of Labour and his small staff are doing a good job in

helping to settle disputes and complaints in a low key and amicable fashion. So some degree of harmony is maintained in the work place which, as I see it, is extremely important to the stability and well being of the Cayman Islands.

Turning to the Bill: Clause 2 of this Bill seeks to amend section 2 of the Law, by inserting after the definition of employee two new definitions: namely, 1) Employees of managerial level, which include persons who plan, organise, control, coordinate or direct the business of an employer or a part of such business; 2) Employees of professional level, which include persons who perform professional functions in the fields of physical and natural sciences, engineering, law, medicine, religion, education, literature, art, entertainment or sports.

Members will be aware that section 15 and section 24 of the Law dealing with public holiday pay and overtime, in these sections reference is made to employees at professional or managerial levels and it states therein that categories of staff can elect to contract out of these entitlements.

Since there is presently no interpretation provided in the Law for managerial and professional staff, some employers are able to place certain members of their staff in managerial and professional categories where they do not rightfully belong and thus avoid having to comply with subsections (1) and (2) of section 15 and subsection (1) and (2) of section 24 in respect to holiday and overtime pay. It is intended to prevent this situation by providing and stating as clearly as possible the definition for managerial and professional employees.

A further addition to the definition to the term work place seeks to make it clear that a private home, in respect to a household domestic employed there, is not considered to be a work place. This is for obvious reasons. I do not believe it was the intention of the Committee to place an administrative burden on every householder in these Islands, to have them provide written statements of working conditions and other requirements under the Law, which relate or apply to a work place for persons employed in their households. So, I believe this is in keeping with the wishes of the Committee. In practice, it has been found this situation needs to be clarified.

Clause 3 seeks to clarify that re-employment within 30 days of termination of employment is to be regarded as continuous employment. It has been brought to the attention of the Portfolio that in some instances employers have attempted to avoid paying employee benefits under the Law by periodically terminating their employment and then rehiring them a short time later. Each time they were rehired the employee was considered to have started a new probationary period.

If this is allowed to continue, some poor person could be on probation forever. So, an attempt is being made here to prevent this by adding a new section 6 (a) which states as follows and I read:

"Any person who is re-employed by the same employer within 30 days of the termination of his employment shall not be regarded as a new employee but his employment shall be regarded as continuous with his earlier period of employment for the purposes of calculation of his period of probation and of any benefits under this law."

I think the intention here is abundantly clear.

Clause 4 of the Bill seeks to amend subsection (7) of section 13 of the Law to ensure that once employees have completed their probationary period, if their employment is terminated prior to their having completed one full year of service, they are still entitled to receive vacation pay, calculated on a pro rata basis. Here again, there have been instances where an employee has served a total of 11 months and because of the Law as it stands now they did not receive one penny of vacation pay upon their termination. This is considered to be unfair and this amendment is intended to correct it.

In Clause 5, the Law as it stands now does not provide for employees who are on probation to be paid for public holidays. I do not believe this was the intention of Legislators because it, in fact, places probationary employees at considerable disadvantage and, again, is considered to be unfair. Probationary employees put in their hours and work hard. I believe this should be corrected and this amendment to section 15 will, therefore, extend holiday pay to those persons on probation as well.

In Clause 6 it is intended to set maternity leave entitlement to calculation on a pro rata basis for the time actually worked for an employer, otherwise an employer could be obliged to pay for 20 days maternity leave after having received the services of an employee for only a short period of time. This is also considered to be an unfair situation for employers and Clause 6 will correct this.

Clause 7 relates to section 23 of the Law, where the standard work week has been set at 45 hours. It has been decided to extend this to also state that a standard work day shall not exceed nine hours. Most employees work a five day week in any case and, therefore, this should present no problem to them. However, it has been found in some cases that employees have been expected to work 12 to 15 hour shifts, or however the roster can be arranged, as long as 45 hours for the standard work week are not exceeded. In other words, actually nothing now prevents an employee from being rostered for three 15 hours shifts for the week without any overtime entitlement. Although this is considered a bit farfetched by some, nevertheless, I am of the opinion that some abuse has occurred in this area and a maximum number of hours should be set and used as a standard work day. I also believe that once a person has put in eight or nine hours in a day at any job, they must be tired at the end of the day. If they are expected to work beyond that, they must be paid overtime, unless, of course, the employee voluntarily agrees otherwise.

We have had cases of that, too, which brings me to Clause 8 of

the Bill and section 24 of the Law. The amendment to subsection (1) of section 24 by the addition of the words 'or a standard work day' is a consequential change that will enable this subsection to read as follows:

"An employer shall pay overtime pay to an employee for every hour of work in excess of the standard work week or a standard work day."

Which are the words being added.

As pointed out earlier, the Labour Law provides that managerial and professional employees may contract out of overtime and public holiday pay. Not long after the Labour Law was introduced, representations were received by myself, as well as the Director of Labour, from various sectors of the labour force. Non-managerial employees, supermarket workers, and some in the hospitality industry as well, claimed the 45 hour week was substantially reducing their take home pay. They had been, and were, prepared to continue working longer hours at regular rates in order to earn more and they requested Government reconsider and endeavour to correct the situation as early as possible.

This was thoroughly checked out and it was found that this was a genuine request which came directly from the workers themselves. Therefore, under further examination and consideration of this matter, we have introduced a new section, numbered 24(a). I think the Memorandum of Objects and Reasons puts it very clearly what we intend to accomplish. It says:

"Clause 8 seeks to allow the payment of overtime for any work of excess of the standard work day [the section which I have already covered] and to allow employers and nonmanagerial employees to agree in writing to contract out of the provisions of section 24 relating to overtime pay, with the proviso that such agreements must be requested by the employee, entered into voluntarily and subject to approval and registration by the Director. This Clause also seeks to let the Director to request such evidence he deems necessary to satisfy himself that these conditions have been complied with."

I believe the safeguards built in there should prevent any abuse in this area.

To read the section as it states in 24(a), it says:

"Non-managerial employees may agree with an employer that no overtime will be paid for the extra hours worked by such employee, provided such agreement shall be requested by the employee and entered into voluntarily by him. Any such agreement shall be approved by and registered with the Director and shall not take effect until and unless this section is complied with. The Director shall, before approving and registering such agreement, satisfy himself that the agreement was requested by the employee and voluntarily entering into and he may require such evidence as he deems necessary to so satisfy himself."

As I understand it, this will serve the wishes of the people most effected.

Clause 9 is a consequential change which allows an employer and employee to agree in writing to contract out of the provision of section 25 relating to the rate of overtime pay, providing the agreement complies with the conditions in the new section 24(a), which I have just referred to and read.

Clause 10 seeks to amend section 32 of the Law which deals with the collection and distribution of gratuities to make it clear that managerial staff, as defined under the Labour Law, shall not be entitled to the distribution of gratuities. This is a matter which has often been raised and I also believe there is some foundation for concern in this area. I think, to some extent, there has been a degree of abuse. I believe in some cases, gratuities have been used to compensated for the payment of low salaries. I have also heard of instances where certain owners of restaurants, for example, have in fact participated in the gratuities scheme. I believe owners should depend on the bottom line of the profit of their particular operation for any benefits they may derive, not from gratuities. I trust this will make this position clear to all concerned.

Clause 11, subsection (1) of section 35 has, on occasions, been interpreted to mean that only severance pay is payable upon termination of employment. This is not the case. So this amendment is intended to make it clear that severance pay, which is one week's wage for each year of completed service, up to a maximum of 12 weeks, is in addition to any other payments which may be due to the employee concerned (vacation pay, sick leave pay, holiday pay are some that come to mind) that are provided for under the Law. Further more, it was the experience that it was not clear whether or not severance pay was to be calculated only after the commencement of the Labour Law. It was, however, the intention that severance pay should apply to the full period of employment, both before and after the Labour Law became effective. Otherwise, many faithful and long serving employees' rights could be placed at risk. A new subsection (3) is, therefore, being added to section 35 which reads as follows:

"For the avoidance of doubt, severance pay shall be payable to an employee for the full period of his employment, including any period of employment prior to the coming into effect of this Law, if that employment is terminated after the commencement of this Law."

There again, I think this subsection (3) makes the intent of the Law abundantly clear.

Clause 12, as stated in the Memorandum of Objects and Reasons, seeks to increase the number of members of the Appeals Tribunal from two to four members, to provide for a quorum of three members and to provide for the appointment, by the Governor, of a Deputy Chairman to act as Chairman in the absence or inability of the Chairman to act. Administratively some problems have been encountered in the past due to an inadequacy of the Law. This amendment is intended to correct this and provide for better functioning of the Tribunal.

Clause 13 is the consequential amendment to section 70 of the principal Law dealing with appeals from decisions of the Director of Labour. Provision is being made here for persons who are dissatisfied with the decision of the Director not to register an agreement entered into between an employer and an employee regarding overtime pay to be able to make an appeal to the Tribunal.

This amendment also seeks to make decisions of the Director and Appeals Tribunal public, at their discretion, and precludes the Director or members of the Tribunal from being liable in a civil court for any actions done or ordered to be done in good faith in the discharge of their functions under the Law, unless it can be shown they acted maliciously or without reasonable cause. I believe this is standard protection which is offered to most members who serve on boards or tribunals. I believe this is necessary.

Mr. President, I sincerely believe these changes to the Labour Law are necessary in order to correct certain anomalies, to further clarify sections of the Law which will go a long way in reducing disputes as to what is actually intended by the Law. These amendments should, in fact, discourage any attempt of abuse in some areas, which might have been experienced in the past.

Undoubtedly, differences as to interpretation will always exist but, as in any other Law, if and when they arise they will have to be settled in accordance with the provisions provided in the Law. I am not attempting to say that in the future other amendments will not also be necessary, but I believe these to be timely. As I said I think they are fair and reasonable and equitable. So, Mr. President, I support this Bill. I commend it to this Honourable House and I ask all Members to give it their support.

Thank you, Mr. President.

**MR. PRESIDENT:** The question is that a Bill entitled, The Labour (Amendment) Bill, 1989, be given its Second Reading. The Motion is open for debate. The First Elected Member for West Bay.

**MR. W. McKEEVA BUSH:** Mr. President, when the original Bill came to Members we decided there were areas which needed more scrutiny. We agreed the Bill would be withdrawn, which subsequently took place. Also, there was an agreement that the Member would bring it to us in Committee to discuss it before bringing it back to the House in Session. That, somehow, did not take place. However, we really do not object to the Bill he has presented, but there are areas which constitutes when vacation is actually taken, and when someone should be paid for vacation leave that need some clarification.

Those areas are now being interpreted differently by certain hotels, for instance, than what has been the norm in this country over the years. There are other areas as well, like overtime, which need serious consideration. In order for that to take place, we need some time over the course of this meeting to deliberate amongst ourselves the pros and cons of the problem areas.

Therefore, under Standing Order 49, I move that this Bill go to a Select Committee of the whole House, which would finish its work and submit an amended Bill to this House during this meeting.

**MR. PRESIDENT:** So moved. I believe I need a seconder.

**HON. RICHARD W. GROUND:** On a Point of Order, Mr. President, I do not think this Motion can be moved until the Bill has been read a second time. In other words...

**MR. PRESIDENT:** Yes I am sorry, that is correct. Sorry. It is when the Bill has been read a second time. So you are giving notice of that Motion at the completion? Thank you.

**MR. W. McKEEVA BUSH:** On the whole, Mr. President, I believe that the will of the Law has been manipulated in many areas. It was the intention of myself, in moving the resolution in 1985 that brought this Labour Law to this House, that we be fair to employer and employee. There are areas which are not being fair. As I said, the will of the Law is being manipulated. Time must be spent in looking at these areas. Therefore, I give notice of the Resolution as read.

Thank you, Sir.

**MR. PRESIDENT:** Thank you. Does any other Member wish to speak? (pause)  
The Third Elected Member for George Town.

**MR. TRUMAN M. BODDEN:** Mr. President, the Labour Law is a very important Law because it regulates, to a large extent, the daily working life of both employees and employers. It is also a very complex and difficult Law and one which I am happy to see some amendments being made to for dealing with certain problem areas of it.

I would like to endorse what the First Elected Member for West Bay has mentioned. Because of the complexity of it, and because there are other areas which could be looked at

now, I believe that instead of the bringing of a further amendment at an early stage in the future, we could get some further problems taken out of the Law itself.

Perhaps one example which could be added to the ones relating to vacation pay (as mentioned by the Member earlier) from what I understand the Director seems to not have the power to make an order relating to back pay or money which is owed to an employee in the matter of unfair dismissal. I have not had the chance to fully check this out, but it seems he could deal with damages for unfair dismissal. But then you may have to go again afterwards to deal with back pay. This may of may not be appropriate to be put in here, but it would save a lot of time and effort if everything could be dealt with by one person.

Some of the amendments in this are far reaching. Obviously, I think many of these are good amendments to the Law because it is now beginning to wipe out the rough edges which arise in any Law of this magnitude in its early stages.

The Member for Tourism has dealt in detail with different sections of this and I believe generally these will cover any problem areas that may have arisen. However, I believe it would be good if we looked at any further areas. I think it could be done very quickly and within the parameter of a day or two and be reported back to this House right at the end of this meeting, with whatever further amendments may be necessary. I think that process in the Standing Orders is a good one, and one which can only help to further refine the amendments we are now dealing with, as well as to give an opportunity for everyone to look at any other areas of the Law and do this at one time.

I would specifically also like to have a look at some of the definitions in some of these sections just to make sure that we are on all fours in relation to precisely what is being covered and to ensure they deal with any further problem areas which have arisen.

With that, I support the Bill. I hope the Government would find this as a convenient way, over a very short period and within this specific Session, to look at any further areas and that they too will support the Motion to have it put to a Select Committee at the end of the second reading. Thank you.

MR. PRESIDENT:

The Second Elected Member for the Lesser Islands.

MR. GILBERT A. McLEAN:

Thank you, Mr. President.

I welcome the Bill which is before the House, a Bill to amend the Labour Law, which the Member bringing the Bill has explained in some detail. I think the areas it proposes to amend are areas which need amendment because of what has been happening in the workplace. I certainly know of instances, for example, where persons who work for a certain period of time less than 12 months and the employment was terminated simply by moving them from one part of the project to another (issuing them a new job description, or so called) simply to avoid the idea of persons becoming eligible for leave with pay. I think the amendment which is suggested, for example, where there is re-employment within 30 days that the employee is not considered to be a new employee, will help in that area. Again, vacation with pay. I personally know this has been an area of problems. I know of employers who have gone to the furthest extent to beat an employee out of a few dollars of vacation pay.

The idea that an employer might choose to say a person was working for them on probation, thus, they would not be eligible for holiday pay might seem extreme. But there are instances where this has happened. The question is that once the person is doing that job, whether or not they are on a probationary period, they should be due, and justly so, any particular benefit of leave and monies which would be paid on a public holiday.

I have some disagreement with the idea of maternity leave, as I do not have any particular ill will against the female race, they become pregnant and they reproduce our species. I am aware there has been contention with this in the Civil Service. When I was a civil servant, I remember that on more than one occasion we argued that there should be a longer time allowed to women who had been through pregnancy. While it is good that it is done pro rata for a person who has worked and has to leave because of pregnancy, on the other hand it is the case that an employer should obviously be aware that an employee is pregnant at the time of employment. If that employer chooses to employ that woman, he should be aware that she would, at some point in time, need to leave the job. I think it is more fair and considerate that the medically recommended period of time be taken into account in this case rather than purely on the basis of the time she would have earned by being on the particular job. To the best of my knowledge, I have heard this period is normally a six week period. I personally would like to see some consideration given to this.

I am extremely happy to see, after having defined a work week, that steps have been taken to define a work day. It is said we should take one day at a time. I have never heard it advocated to take one week at a time. Certainly, in determining time periods for work, a day needs definition. Even what is proposed, it is suggested that nine hours could be a work day. I am aware that internationally 40 hours is generally considered a work week, eight hours a work day, which allows for three shifts within 24 hours. I personally would like to see, and I would suggest, an eight hour day instead of a nine hour day with overtime considered for an employee after that individual has worked eight hours. Nine hours and beyond are very long periods of time and it is possible, as the law stands, that a person (as was pointed out by the Member) could be required to work way beyond the nine or 10 hour period without any consideration of overtime.

The idea of extra hours at straight pay for managerial staff, I can understand. But I think to apply this to nonmanagerial staff simply succeeds in allowing some employers to do what they are doing at present. They are browbeating employees into accepting to work long periods of time in any given day, without the benefit of overtime. I will not try to refute that some employees in this country may have

asked that they work longer hours with an employer so they can earn more money. Is it not defeating the very purpose of having the length of a day defined?

An employee who has worked for eight hours a day, has the same right to want to go home to be with their family to do what they need to do at home. I believe this could be changed, that particular part, to make it more defined or tighter that employers do not do what they are doing now. I am aware that this is happening. I am aware of this happening in Cayman Brac, the district I represent. I know it happens in some of the hotel properties there.

Severance pay. I think it is good that this has been clearly set out, also, that the definition has increased the number of persons on the appeal board. I would certainly like to know the selection of persons to serve on the tribunal was persons who can identify with the employee levels, because I am not too sure that has happened in the past.

There are two areas that I would like to see in addition: One is in the definition part of the employees of professional level. I think one of the largest areas here in these Islands right now is that of electronics. I would certainly like to see that added into that particular definition. Also, there is a section of the Law which says that an employee can only be unfairly dismissed if he has worked for more than six months. I would suggest that an employee can be unfairly dismissed within an hour of his employment. So these are two areas which I would like to know the Government considers and I would support the recommendation made by the First Elected Member for West Bay that we could, perhaps, take a few hours during one of the days during the Meeting of the House and look at these particular areas and bring an amended Bill back to the House that could, at this time, more comprehensively cover areas of amendments.

Thank you, Sir.

MR. PRESIDENT:

Perhaps to correct any possible misunderstanding, and subject to legal advice, I think that when a Select Committee sits after the Second Reading of a Bill, it does not actually do any amending of a Bill. The Bill still has to go to the Committee of the whole House in the normal way afterwards for any formal consideration of proposed amendments, I think.

HON. RICHARD W. GROUND:

Certainly, Mr. President, what Members are talking about, amending the Bill and so on, sounds more like a Committee of the whole House. One would expect to see the amendments that are troubling Members tabled as proper Motions to amend with two day's notice given. There is no reason why that cannot be done in a Committee of the whole House as well as in a Select Committee. Certainly, any amendments that come out of the Select Committee do not just get amended. They are going to have to come out of the Committee and then come back, as you have rightly said, to the Committee of the whole House. The Select Committee would just report and indicate what amendments, if any, they think are appropriate.

MR. PRESIDENT:

Again, I think following normal process the Select Committee would report and then I imagine there is a debate on the recommendations made by the Select Committee. Further, I would suggest to you that in following the various proposals and ideas I have heard expressed, that if new things are to be introduced in the course of the Select Committee's deliberations, you will need quite a lot of time to make sure that you consult and so on, the normal way of a Select Committee. We shall have a break for tea in a few minutes and no doubt we can discuss these things more thoroughly.

Would any Member wish to speak on the Second Reading of the Bill? The Third Elected Member for West Bay.

MR. JOHN D. JEFFERSON JR.:

Thank you, Mr. President.

I would like to say that I welcome some of the amendments which are being put forward. I think they do strengthen those areas of the Law which have been found, through experience, to be very weak.

I think Clause 3 which ensures that employment is considered continuous along with benefits is a very good one, if the employee is re-employed by the same company within 30 days, because I am also aware this is an area that has been abused by employers. The other area I am very pleased to see an amendment for is the proposed amendment to Clause 4, with regard to vacation entitlements before an employee serves one year's employment. This is an area which has been severely abused. I have had many of my constituents come to me and say, "Mr. Jefferson, I was fired. I had been there for nine months and they tell me under the Labour Law I am not entitled to any vacation pay." So I think this is a very good amendment. I think it is one which serves the best interests of our people.

Clause 5, with regard to the payment of public holidays for those people who are on a probationary period, is fair. I know when I was in the Civil Service, this was an area I had to go to bat for, with regard to certain members of our staff within the Banking Department. This could lend itself to a lot of abuse. For example, you find people (at least before the Labour Law came into effect) who were considered on a probationary period for many, many years for one reason or another. They were not being paid public holidays, etcetera.

Clause 6, which deals with entitlement of maternity leave, I feel is a very important section of the Law. Just recently, a young lady who had been with one of the condo establishments for 18 months got pregnant and within a couple of weeks of her delivery, she was terminated, she suspects because the employer did not want to give her the maternity leave benefits she was entitled to. So I think this will eliminate any abuse in that area. I somewhat support the idea of my colleague, the Second Elected Member for the Lesser Islands, that special consideration should be given to extending maternity leave entitlements.

Clause 8, I understand and can appreciate the reasoning behind why this provision is in there, where nonmanagerial staff can agree with their employers that they will work extra hours for straight pay. The experience of some employees, especially in the hotels, since the Labour Law came into effect, is where employers have been very strict with the number of hours they schedule employees to work, in order to minimise or eliminate altogether any possibility of overtime. But I think this area has to be very carefully watched, otherwise you will find we are resorting back to the old system whereby employees are abused as far as being expected to work unusual hours for straight pay. But if it is worked out on an amicable basis and there is no situation where it is a continual practice then I support this provision.

I welcome the provision of Clause 10 which seeks to eliminate managerial staff from sharing in the distribution of gratuities. This is probably the most significant area of grievance, especially in the hospitality industry, from employees. I suspect there is abuse in that area. So I think this is a step in the right direction in correcting that abuse.

I do support the idea of us having the time to discuss this in a Select Committee setting, because in addition to Clause 10 I would also like to see if some arrangement or agreement can be reached with regard to a formula for the distribution of gratuities as is called for under the Law.

Clause 11 which deals with severance pay is very good because this is another area of abuse. An employee who has been terminated and the only thing he is entitled to is one week's pay, regardless of whether he worked 11 months, which meant he should have been entitled to something by way of vacation pay along with any other entitlements he was entitled to. So I think this is very good.

I think the majority of these amendments are a step in the right direction to further strengthen the Law to ensure that all parties involved are fairly and properly treated. As I said, I also welcome the idea of looking at it a little further to ensure that we cover all the bases which are necessary to ensure we have a strong practical piece of Labour Legislation.

Thank you, Mr. President.

**MR. PRESIDENT:**

Proceedings are suspended for 15 minutes.

**AT 3:35 P.M. THE HOUSE SUSPENDED**

**HOUSE RESUMED AT 3:56 P.M.**

**MR. PRESIDENT:**

Proceedings of the House are resumed on the Second Reading of the Labour (Amendment) Bill. Does any Member wish to speak? The First Elected Member for Bodden Town.

**MR. ROY BODDEN:**

Thank you, Mr. President.

In commenting on this amendment, I would like to begin by saying that I recognise the effort put into this amendment by the Honourable Member who did the Moving, but I must say (if my memory serves me correctly) that I will have to voice some disappointment because it was my understanding that the Member had given an undertaking to do some further consultation with all of the Elected Members. However, it may be that in the essence of time that was not practical. I noticed, however, that the Member did not say anything about the reasons why he did not follow through on his undertaking.

In offering my commentary I will not discuss this clause by clause because that already has been done to a large extent by previous speakers. In the interest of time, and out of respect for the House, I will select a few clauses which I think I could make some suggestion on which have not been made before.

I believe it is a safe observation to say that these kinds of Bills - and, certainly, Labour Laws are not only Laws which protect the employee but they also protect the employer. It is necessary for that point to be made because we do not wish anyone to come away with the idea that we, as Legislators, are ganging up on the employer. We would like to see both parties protected and we would like it to be obvious that the Law is equally applicable to both employer and employee, recognising, however, that it is from the employee that we hear most grouses and most concerns about neglect, abuse and unfairness.

I would first like to say that with regard to Clause 6, I, too, would like to see some extension, some more sympathetic consideration given to the provision of maternity leave with respect to females. This is an especially sensitive issue in a society like ours where, for a long time, to a large extent, the bulk of the labour force, certainly the skilled and professional force, was carried out by women. We should also remember they have, in addition to these obligations, other obligations. So it would be fair to have as thorough an examination of this as possible with a view to making it as fair and practical as possible.

With regard to Clause 8, this is an issue which we frequently hear complaints about; overtime and work in excess of what is required for the standard work day. I realise that while the Bill and the Law was, to a large extent, designed for people in the hospitality industry and had its genesis as a result of concerns brought to certain representatives from people employed in the hospitality field, the Law is designed to apply to all people who work in these Islands. In concurrence with the previous speaker, I think we should seek to standardise the work day to that recognised internationally: namely, an eight hour work day, and any hours beyond eight should be deemed overtime. I believe this is an issue which needs some further discussion and some consensus.

It strikes me also that previous speakers have indicated that there are other concerns and issues they would like developed and included in the amendments. I am wondering if it is too much to ask the Government to consider the request to have a look at these amendments in a Committee stage? Let us seek to arrive at some consensus and to eliminate any confrontation; discuss it as was proposed, a



body of 12 Elected Members, and come back and draw the amendments up in a sensible and presentable fashion. It is said that politics is the art of compromise. If we are serious, it would strike me that this is the way to go. As a consequence, I am appealing to the Honourable Member to consider this request, because I believe that in addition to eliminating any hard feelings which may exist amongst and between us, it would be an opportunity for us to, once and for all, get a reasonable and comprehensive Labour Law.

Thank you, Sir.

**MR. PRESIDENT:**

The Honourable Member for Communications and Works.

**HON. LINFORD A. PIERSON:**

Mr. President, my comments on this Bill will be relatively short because I do not see the necessity to spend a lot of time on what is obviously a very good amendment to the Labour Law. Accordingly, I wish to congratulate the Honourable Member for Tourism, Aviation and Trade for bringing such a timely amendment to this House.

Regarding the suggestion made by the First Elected Member for West Bay and supported by other speakers that this Bill should be committed to a Select Committee under section 49 of the Standing Orders, I see such a move as totally unnecessary. Especially this is true in the light of the admission made by these Members that they could deal in a few hours with the necessary amendments they consider should be made. In fact, this Bill has been circulated now for a number of days and the Standing Orders provide for any Member of this House who has any amendments they would wish to make to a Bill to bring it to the Committee stage of that Bill.

I will not go into the various clauses of this Bill because they have been properly covered by the Mover of this Motion, only to let him know that I feel it is a very good and timely Bill and I give it my full support.

Thank you, Sir.

**MR. PRESIDENT:**

The First Elected Member for the Lesser Islands.

**CAPT. MABRY S. KIRKCONNELL:**

Mr. President, I rise to support a Bill for a Law to amend the Labour Law. I have had the white copy of this Bill in my possession since August. I have had a lot of time to consider it and read it over and discuss it with my constituents. I realise these amendments, like all amendments to Laws, will probably not be the last amendments that will be necessary, but I feel they are the ones that my constituents and most others have requested and we all see the need for this. I feel we are doing the right thing in attempting to get these amendments on the statute books.

In Clause 6 I do not seem to understand that as some previous speakers have. My understanding of the amendment to the maternity compensation is a fact that in the event a female employee came into your employment and three or four months after you employed her, she had to leave your employment because of pregnancy, you should not be saddled with the full time of her compensation for pregnancy. It would be pro rata for the time you have her in your employment. It is not at all seeking to limit the amount of compensation paid, it is just seeking to place a right of responsibility on the employer for what he is justly responsible to pay.

I think one of the greatest advantages of this Bill is where they have gone to the extent of changing the definition of managerial and putting it into two separate sections. For the benefit of the radio audience I will read:

"'That an employee of managerial level', include persons who plan, organise, control, coordinate, or direct the business of an employer or a part of such business; 'employees of professional level' include persons who perform professional functions in the field of physical and natural sciences, engineering, law, medicine, religion, education, literature, art, entertainment or sports."

This gives a clear definition in which, I think, there can be no misunderstandings in the future.

I am also very happy that this Bill has decided to remove the household, the private home, from a part of a work place where you would be subject to inspection, if the Director of Labour chose to enforce the Law to the letter of the law, as it was prior to this amendment. I think that is also very necessary.

At this time I would like to ask all Members of this Honourable House to let us get on with the business of the House. We still have the Committee of the whole House, which certainly will not be held today, where any amendments - as some speakers have said, that within an hour or so, we could address this in a Select Committee. Over the time tonight, prior to going into Committee in the House here, maybe the necessary amendments could then be considered, but I do ask that we get on with this. These amendments are long overdue.

I hope this is not the last opportunity we will have to amend the Labour Law. If we find after these amendments are on the books that others are necessary, we can come back and ask for future amendments at other meetings of the House. Mr. President, again I urge all Members to support this Bill.

I thank you, Sir.

**MR. PRESIDENT:**

The Elected Member for East End.

**MR. JOHN. B. McLEAN:**

Mr. President, let me say that I agree with the presentation of the Bill which is before the House. I would like to say the First Elected Member did explain this clause by clause. He did a very good job. I am glad to see this Bill is addressing many areas that have been of great concern for some time. I know I have received many complaints, especially in the areas of gratuities, severance pay, what was considered the correct hours for a working day and working week. I am pleased to see all these various points have been addressed in this Bill. I do not wish to prolong the debate on it. I would just like to say that it seems as if there are several other areas that we could address at this time.

As I sat here, I listened to various matters raised by the various Members which have arisen from complaints they have received, and I see no reason why we could not spend a little more time and defer this Bill for a few more days. I know it has been said there is much on the agenda. That is quite true. But I have seen many times when we have had long agendas and time was spent for, what I would consider, less important matters than the one presently before the House.

I cannot agree that referring this to a Select Committee is going to take up that amount of time. After all, it seems every Member, so far, agrees with the present Bill and is just trying to put forward a couple of more areas which would better tidy up the problems which each and every one of us have experienced from complaints. I believe that if we spent a few hours together getting all of our views it is quite possible that in the end we may find that we have a much more comprehensive Bill and we would have addressed a number of areas that may cause us to have to come back with an amending Bill in the near future.

What I am saying, Sir, is in no way trying to belittle the individual who has presented this Bill because as I mentioned earlier it is my view that an excellent job was done in his presentation. I would just ask that perhaps he and the Government bench consider the wishes of the Members on this side and let us spend a few more hours and try to put together what will be an even better Bill for this country.

Thank you, Sir.

**MR. PRESIDENT:**

wish to exercise his right of reply?

If no other Member wishes to speak, would the Mover of the Bill

**HON. W. NORMAN BODDEN:**

Yes, Mr. President, thank you.

In replying I would like to thank all Members who have spoken on this Bill. I am pleased to see that in most cases there is general agreement and support from most of the Members, with few exceptions. But, Mr. President, I must admit I do not understand the strategy that is being attempted in dealing with this Bill. I do not want to appear uncooperative because I believe that I, like the other Members of this House, are here in this House to do the best we possibly can for the country.

Reference was made by several speakers in regard to the lead time or the distribution of this Bill. First of all, I did not meet with any special committee to deal with this Bill. Just let me recount for the benefit of the House, and the listening public, what took place and what sequence of events lead up to the presentation of this Bill.

In July of this year I met with the Director of Labour and discussed various points which he had raised in connection with amendments that he believed should be made. I dealt with them. I went to the Attorney General's office and delivered drafting instructions and the white copy of this Bill was produced. I met with several of our Backbenchers and my colleagues in Council in the month of August and gave them copies of this Bill. In our discussions it was found that there was some difficulty with the definition of a work day. It was decided, even after having sent the Bill to the House to be distributed for presentation at the Meeting in September to withdraw the Bill for further considerations. That I agreed to.

In the course of the debate in the House during the September Meeting, I heard indications from several of the Backbenchers (who were not at the meeting that I referred to) who spoke about the Labour Bill which had been withdrawn, and gave indications, generally, they would support the Bill. They thought it was a good thing. Therefore, there was every indication to me that all Members had copies of this Bill and they had it in ample time to put forward any suggestions or recommendations they might have had.

Whether Members of this House support me or not, I believe that up until this stage I am on speaking terms with every Member of this House whether they agree or disagree with me on issues. I do not believe we have reached a stage where we are only speaking to each other from the floor of this House because that would be a pity. So, I do not understand that from the month of August and to this date that if Members, with all due respect, had any worthwhile contributions, suggestions or recommendations to this Bill, why have they waited until this time to indicate they had.

This Labour Bill is important to the people of this country; both employers and employees. I understand that just as well as any other Member in this House and in my presentation in 1987 I made that abundantly clear. In my introduction of this Bill, I also made the point that any amendment must be fair to both sides. The Labour Law, Mr. President, is a complex Law. To me it is like a bean pole - you touch one part of it and the whole thing rattles.

I take the point on what was made regarding the definition of the work day and the suggestion that perhaps it could be eight hours. We gave that considerable thought when the Committee of the whole House worked on the Bill originally. It was decided then, and it is still my position now, that as much flexibility as possible should be applied in defining a work day. It came up at the meeting in August, otherwise you get bogged down with whether the nine hours includes one hour for lunch or not. You get bogged down in who is going to pay for the lunch hour and there are some employers in this country today who pay their staff for their lunch hour. Whether it is half an hour or one hour, it is paid for. So tampering with it can create quite a bit of repercussions in other areas.

I cannot support the recommendation that this Bill be sent to a

Select Committee for the reasons I have just mentioned. I do not see the reason for it. I do not see the strategy which is being attempted here. I believe the amendments are urgent. They have been considered for a long time. They are necessary, and it is my view as the Member piloting this Bill, that if it goes to a Select Committee we will not have sufficient time to do the work which needs to be done to put those amendments into effect at an early date. I see it as a further delay which I cannot support.

As one Member said, there will, undoubtedly, be occasions for other amendments to be made. I can give this House the undertaking that any time there are recommendations which are sensible and well intended and well balanced, as the Member responsible I will do my utmost to bring them back to the House on a timely basis.

Mr. President, apart from the mention made on the definition of a work day, some Members have commented on the new section dealing with voluntary agreements being reached between employers and employees to work extra hours at straight time. I take the points that have been made there but I believe there are the necessary safeguards built into that amendment to prevent any abuse and for the Director to be able to satisfy himself beyond any doubt that this request comes from the employees themselves and they are not being forced by any employer.

The point was also made by one Member regarding maternity leave. I believe the Law provides in section 18 reasonable benefits in regards to maternity leave. Under section 18 they get 20 paid working days and they can take up to a total of 12, calendar weeks. The reason this amendment has been seen as necessary is because some employers have employed women who were pregnant unknowingly and have been saddled with providing the benefits under the section after only a very short period of employment with that particular employer. I believe this is reasonable and acceptable and will be welcomed by both employer and employee. After all, what we are trying to accomplish here, as has been said, is supposed to be reasonable and fair to both sides.

I would, once again, ask Members to give this Bill their support as it stands and in due course, if and when there are other amendments which I will be happy to receive and consider by any Member of this House or any member of the community, I will do my utmost at the appropriate time to bring them, once again, as necessary amendments. As I said, I cannot support, in the interests of time constraints, that this Bill be sent to any Select Committee.

Thank you.

**MR. PRESIDENT:**

The question will now be put on the Second Reading of this Bill. Those in favour please say Aye...Those against No.

**AYES.**

**MR. PRESIDENT:**

The Ayes have it.

**AGREED. THE LABOUR (AMENDMENT) BILL, 1989 GIVEN A SECOND READING.**

**MOTION  
STANDING ORDER 24(9)(ii)**

**MR. W. McKEEVA BUSH:**

Mr. President, I have all intention of moving the Motion I gave notice of earlier. I will be directed by the Chair as to the procedure at this time, since there has been so many confusing things thrown into everything here this afternoon. As I said, I will be guided by the Chair on how to proceed at this time.

**MR. PRESIDENT:**

the Motion you had in mind?

Sorry, I misunderstood you. You are now proposing to move

**MR. W. McKEEVA BUSH:**

Yes, I am.

**MR. PRESIDENT:**

Fine.

**MR. W. McKEEVA BUSH:**

If you want that.

**MR. PRESIDENT:**

Orders say it should be moved now, immediately after the second reading has passed.

**MR. W. McKEEVA BUSH:**

That is what I wanted from the Chair.

Mr. President, the notice I gave earlier of the resolution that this Bill go to a Select Committee of the whole House, which should finish its work and submit an amended Bill to this House, during this meeting.

**MR. PRESIDENT:**

I take the Motion as moved. We need a seconder.

**MR. JOHN D. JEFFERSON JR.:**

I second that Motion.

**MR. PRESIDENT:**

Thank you.

I think it would be convenient if we have the Motion put into writing so the House knows what we are debating. Unless you would wish that we now proceed, the normal procedure is that the Mover should speak to the Motion. Please, so proceed.

It is almost 4:30, but I mean it seems...

**MR. W. McKEEVA BUSH:** I believe we could finish it this afternoon, Mr. President. I am going to be very brief. It is obvious it is not going to pass, but I think democracy should prevail. I am going to be very brief, Sir, if you could suspend Standing Orders.

**MR. PRESIDENT:** We have not quite gotten to 4:30, but would you like to speak to the Motion? Thank you.

**MR. W. McKEEVA BUSH:** Mr. President, this Motion trying to get this Bill into a Committee... there is no strange strategy. This Bill came to us some time in early August or late July. Before the September Meeting of the House the Member responsible for the Bill did talk to us, what I took was a Committee. Anyway, we discussed it and we asked him at that time to hold the Bill as there were resolutions tabled before the House to bring in some sections which are now provided in the Bill, and also there were matters which he brought that we needed sufficient clarification on.

There were matters I raised regarding vacation that he knew we had been talking about for a long time. He agreed they would withdraw the Bill and he would bring the Bill back to us to have discussions.

There is no strange strategy, Mr. President. I think the House should note there was no invectiveness in my contribution on the Bill. I am doing this not to disrupt this House in any way. This is proper procedure. This is not for McKeeva, Mr. President, I am an employer - I am not an employee. So, it is not being done for me. I have, at times, 10 employees. I believe the work of this House will be well served and the Bill will be well served if we go into Committee, look at the few areas that we see - we know - that need some clarification and obviously need changes. I have no doubt that there are times to come when this Bill will be amended but, by God, it took us five or six years to get to this stage. I wonder how much longer we would see yet another amendment?

I want to reiterate to this House that there is no strange strategy by asking Members to consider this Bill in Select Committee, rather than in the Committee of the whole House. I think we can get more done sitting down around the table than we can in this formal atmosphere, in this House. We have done it before. There was no big thing about it. There were not all these hard feelings.

Why is it every time we try to do something like this, there are these hard feelings and personal feelings about it? As I said, there were no invectives in my contribution. I support the Bill. But the Member did promise us we would sit down together. That did not materialise. I have no hard feelings about it, but I think we can better do any amendment or discuss amendments (whether we get them passed or not) in a less formal situation than what would be in the House.

If Members want to vote for it, fine. If they do not, as I said, I am an employer, not an employee - it is not for me; and I would remind them that at the end of this Motion I have the chance to reply. The other situation was different just now, when there were a lot of hard feelings in it.

I am trying to be very cooperative. For those who said they were not trying to be uncooperative... by the sound of their debate that is exactly what happened.

**MR. PRESIDENT:** Perhaps the Honourable First Official Member would move the suspension of Standing Orders.

#### **SUSPENSION OF STANDING ORDER 10(2) 4:30 P.M.**

**HON. THOMAS C. JEFFERSON:** I was waiting for a cue, Mr. President. I will gladly move, under Standing Order 83, the suspension of Standing Orders 10(2) in order to allow the debate to continue and to be finalised.

**MR. PRESIDENT:** I shall put the question. Those in favour please say Aye...Those against No.

**AYES.**

**MR. PRESIDENT:** The Ayes have it.

**AGREED. STANDING ORDER 10(2) SUSPENDED.**

**MR. PRESIDENT:** The Third Elected Member for George Town.

**MR. TRUMAN M. BODDEN:** Mr. President, I believe this Motion was brought in good faith. I know I supported it in good faith and I can assure the Member for Tourism there is no strange strategy behind it. The Standing Orders of this House are very clear. There is nothing strange about following the Standing Orders and the procedures which have been laid down.

We keep hearing about trying to pull together, trying to get together. Let me say, as I said earlier, I am going to support this Bill whether they support this Motion or not. So that is neither here nor there because I think the Bill is good for the country. I support it. However, it is an opportunity (one of the few opportunities perhaps) for all Members of this House to try to sit down and work, in the interest of the public, to produce something which is, in my view, very important and which a bit of time, a few days taken to deal with it will not hurt. It is a way which was informally used to deal with the motorcycle amendment, for example. There is nothing odd about it. Especially at this time, I would have thought there would have been some cooperation, some welcoming of the situation for all of the Elected and the Official Members, 15 Members, to sit down and try to work out any amendments to this Bill, to do so quickly and bring it back here.

I would like to say this on the question of the Bill being out since August. Yes, it was out, but it was withdrawn. Quite frankly, only recently did I get the green copy back. Whether it is the same or another one, I did not even check it. I looked at this as a new Bill and naturally took it in that light, because it was pulled back I assumed there had been some amendments to it.

I, for one, find that, as was dealt with on the other Law I mentioned, quite cooperative. It is a situation where Members can actually sort out and draft, if necessary, in the Committee precisely what the Committee would report and whatever the procedure may be, whether we recommit it back to the Committee of the whole House, or whatever, I do not think it is all that relevant here. It was an opportunity which has been thrown out in good faith. Nothing sinister about it. I would hope Government would see it in this light because with the division in the House, this is one way where perhaps those barriers can be lowered and there can be some getting together.

But, like I said, they wish to oppose it. They appear to have a majority of the House, not of Elected Members but of the House and that, naturally, can carry it. So, I would ask Members here, reaffirming that I will be voting for this no matter which way the Motion goes, that they look at this as a very good chance for the Members to get together and work out a very important piece of Legislation. I would ask them - they are big men - to think about it and change their minds.

Thank you.

**MR. PRESIDENT:**

The Honourable Member for Tourism.

**HON. W. NORMAN BODDEN:**

Mr. President, I rise to speak against the Motion which is presently before this House. I, too, will be very brief. I am familiar with the Standing Orders of this House, too. I am well aware who holds the right of reply in this Honourable House. I am very mindful of that, and I expect Members will do what I do and that is, certainly, to exercise their right to reply.

My position is quite clear and reasonable as I have put forward in winding up the debate on the second reading of this Bill. A Bill has been produced. Ample time was given in the circulation to all Members to put forward before this day any changes or recommendations they saw as necessary. Believe me, they would be given serious and thorough consideration and included in any amending Bill which would be brought by me to this House.

I see a Select Committee creating and causing an unnecessary delay in placing these amendments which are being proposed in the Bill into effect. As I said, there will be other opportunities. Amendments can be made. We have four meetings each year and I, in all honesty and sincerity, would like to get these amendments passed and put into effect because they are urgent and they are important - important in some cases to employers and important in other cases to the working class of this country.

I do not find any unreasonableness in my position on this. I repeat, it is not a matter of being uncooperative, it is a matter of my understanding and saying that a Select Committee will cause unnecessary delay which we do not need at this time.

Mention was made by some speakers about strange strategy. I do not remember if I used the word strange or not. I did say strategy, I know that. That is my way of interpreting what a last minute move in the House is. I have heard it used by other Members in this House before and I am sure it is a term that is well understood.

Mr. President, with those few words I will take my seat again and I cannot support the Motion before this House.

**MR. PRESIDENT:**

The Honourable Member for Communication and Works.

**HON. LINFORD A. PIERSON:**

Mr. President, I will be consistent in my support of the Labour Amendment Bill in its present form. As I said in my brief comments on that, if I could see the necessity for this Motion before the House, I would be the first one to support it. I have not heard sufficient say about the support of this Motion to convince me of its necessity.

I think that despite the number of references made to the Standing Orders of this House, Standing Order 50 makes it quite clear on the procedures applicable to public bills. So that the listening public does not get the impression that Members of Government on this side of the House are trying to ram a Bill through this House without the proper procedures being followed - this is indeed not the case - we are following the procedures laid down in the Standing Orders. The request made by the opposition side of the House is asking that this Bill be committed to a Select Committee of this House. The procedures of any public bill is that it will go into a Committee stage on that Bill. So if any Member of this House has an amendment or a number of amendments they would wish to have made to this Bill, these amendments can be submitted to the Clerk and they will be dealt with in the Select Committee of this House.

This has been the procedure for years and years. There is no

change to suit this particular Bill. This is the standard procedure under the Standing Orders. That Standing Order does not limit a Member to the time he can take to present his Bill once it is properly submitted, or present the amendment once it is properly submitted. So if any Member of this House really, sincerely has an important amendment which would enhance this Bill, they would make the Bill a better Bill, then by all means they have the time and the opportunity and the mechanism is in place that they can do so.

Nobody is trying to block that process. Nobody is trying to stop any Member of this House from exercising their democratic right. The procedure is in place and the fact that we do not agree that this should be put into a special Select Committee of the House does not mean that we are not trying to cooperate with the Members of the House, because as the Honourable Member for Tourism said, he feels he can speak to any Member of this House inside and outside of these Chambers. I feel the same way. So it is not that we are not trying to cooperate. We are indeed following the strict procedures laid down in the Standing Orders.

The point here is that we cannot agree that it is necessary for us to take this Bill to a special Select Committee of the House when, in fact, it is going to go to a Committee of this House in any event.

I realise the Member's suggestion was probably done in good faith, but the intention of bringing the Motion does not necessarily make it a good Motion. The saying goes, the road to Hell is paved with good intentions. Nobody is saying it was not done in good faith. It was probably done in good faith. But it does not mean the good faith action of a Member is necessarily right for the House. I wanted to make that point. Nobody is refuting there were any bad motives from the Member or Members that supported this idea.

Mr. President, I too have the interests of this country at heart. I think I have demonstrated this over the number of years I have been fortunate and privileged to be in this House. If I felt this Motion was a timely Motion and necessary for the enhancement or to make this Bill a better Bill, I would indeed support it. But I see this as really not necessary because the mechanisms, as I said before, are all in place for the procedure to be followed where this Bill will be taken to a Committee. In Committee stage, if any Member wants to make an amendment to this Bill, then it can be dealt with at that level.

I am unable to support this Motion. I trust the Member bringing it and other Members supporting it will understand that this is done, also, in good faith.

Thank you, Sir.

**MR. PRESIDENT:**

The Second Elected Member for the Lesser Islands.

**MR. GILBERT A. McLEAN:**

Thank you, Mr. President.

I rise to support the Motion which is before the House, brought by the First Elected Member for West Bay. In supporting this I simply wish to reiterate and reaffirm that I supported the Bill which has just been passed, the amendments to the Labour Law, in the Bill which has been brought by the Member for Tourism. I was one of the persons he referred to who in September gave indication that I was somewhat regretful it was not coming to the House at that time, and I would support it. I certainly felt that way then, and I feel that way now.

In my debate on the Bill I stated there were a few areas I thought could be included at this time in the amendments - added to, not taken from the Bill which is before the House. It was my impression that it would have been an opportune time when all of the Members here in the House could have met in a Select Committee to discuss these and bring back any additional amendments all the Member would have thought helpful during this Meeting. It was not as if it was being delayed until next year. It would be something which would be done during this Meeting of the House.

I would like to make clear that if there was some particular strategy or some strange way of acting I am totally unaware of any strange actions. I certainly am no part of any strategy or strange action. It was purely as I have stated in my debate previous. I recall at the last Sitting, if I remember correctly, we met informally to agree on what would have been satisfactory in terms bringing the amendment to the Traffic Law, relating to the Motorcycle Law, I see no difference to this particular one. I still believe that if we were to now take it to a Select Committee, as best as I can understand it is permitted under our Standing Orders, it could serve to make it more comprehensive which would not make it necessary to bring another amendment in the near future.

The point I would like to leave with the House is that I am in no way contesting the good I believe these amendments in the Bill will bring. It was purely a matter of adding to them in some way to make it more comprehensive. From that point of view, when the vote comes to request this I will indeed vote for it.

Thank you.

**MR. PRESIDENT:**

The Third Elected Member for West Bay.

**MR. JOHN D. JEFFERSON JR.:**

Mr. President, I rise to offer my support for the Motion. I learned something in my short professional career, that is, you can always learn something from someone else. It is amazing what you can accomplish when minds get together for a common objective and cause. I agree that when you are doing something, do it properly. I am not saying even after we have exhausted our ideas, as far as what additional amendments be necessary in this Bill that further amendments will be necessary. But I do not believe in doing something now, knowing at the same time there could be room for improvement... instead of saying, "Okay, let us do this now and then we will come back three months later and add on the addition amendments." I support the Labour Law amendments. I am as anxious as any Member here to see these amendments implemented. But, I

see no reason why we cannot delay it a couple of hours, or days, or whatever it might take for us to get together and discuss the additional amendments we feel are necessary.

I am not unreasonable and, regardless of which way the vote goes, the amendments put forward by the Honourable Member still have my support. But, as I said, I believe in doing things properly. I think there is always room for improvement and I see this as an opportunity where this piece of Legislation could be further improved and put into the position where it is much more effective and practical in benefiting the employer and employee in this country.

Thank you, Mr. President.

**MR. PRESIDENT:**

Would the Mover wish to reply to the debate?

Does any other Member wish to speak? (pause) It appears not.

**MR. W. McKEEVA BUSH:**

Mr. President, I thank those Members who spoke in support and others who were silent. Hopefully that silence means consent. There is a necessity for this Bill to go into a Select Committee. I do not believe I can get an amendment through this Committee stage of the Bill which would satisfy the need that is created by the interpretation of the vacation, of certain instances, in certain hotels.

I feel that sitting down with the help of the Attorney General, probably a proper amendment can be thrashed out, ideas thrashed around and come up with something which could be accepted by everybody. That is the necessity for the Select Committee.

You could certainly not have heard anybody accusing the Government bench of ramming the Bill through the House. I do not know where the Member for Communications and Works could get that idea. I should point out to him I do not need to be told that I can submit an amendment, or I do not need to be told about procedure. I understand the Standing Orders and I am working with them, as best I can. I do not know what kind of crystal ball he has, but I believe the Bill could be a better Bill if we sat down rather than attempting to push through an amendment at Committee stage. I believe, contrary to what they are saying, that they are being very unreasonable. The Member moving the Bill felt we did not have any worthwhile amendments. The Member knows there could be worthwhile...

**HON. W. NORMAN BODDEN:**

Mr. President, I would like to clarify the remark the First Elected Member from West Bay just passed. That is to advise the House that I did not say no one had any worthwhile amendments to make. I said there was ample time in the distribution of the Bill, if there were any worthwhile or sensible or valuable contribution to make to the Bill, for it to be made.

**MR. W. McKEEVA BUSH:**

My recollection of what the Member said was why wait until now if we had any worthwhile amendments, but I can still debate what he just said. He knows quite well that the amendments I foresee are quite sensible and quite worthwhile because I am trying to do good for the people - the people he should be putting that amendment in for because he was informed of this just after the Labour Law came into force. This is not a today thing that I have been talking to Executive Council about. I have been talking to them since the Law was passed, and we are just now getting amendments.

These amendments are not sufficient to carry out and rectify the problems which are existing in the labour market created by a Labour Bill which was pushed through when that Member had a majority in the Committee where I sat at every meeting with them! That is what galls me here today! The Member promised he would come back, then did not come back... and there are no hard feelings, I will support the Bill. That is not the point. The point is that Member promised that he was going to bring the Bill to us because he knew there was one area I had to get information on. I was not called to any meeting. I did not know what happened. I am shoved out the door these days. I do not know of very much that is going on, unless somebody tells me a little bit. I can only reiterate that there is no strange strategy. There is no scheme worked up by this side of the House to offset what they set out to do. We are in agreement. They should honour what they promised.

To go right back from the time we were in Committee with the Labour Bill, I sat on those Committees and said, "Look, you know I am a lone voice", because then they had several extension cords with them. "But you are going to face problems with some of these." So they had a majority and they passed them, and because they have somebody here again today, they are passing these.

Mr. President, I am only trying to get together and I want to make that plain, to discuss in an informal situation what should have been discussed before. Now, the Member spoke about time. How much time are we going to lose? Will the Bill, when it is passed, be assented to before the closing of the Meeting? I doubt it. Bills do not get assented to that quickly. So why the rush forward? It is only a matter of meeting and sitting down to discuss whether we want these things in. They would have their majority, yes or no. But, for God's sake, let us sit down and discuss what we should have discussed a long time ago.

Since time is of the essence, we would be very brief. The Member knows there is some dissatisfaction with vacation and the way it is being interpreted - and the Law, because of its interpretation. The Member knows that. I have pointed it out to him quite often. I do not understand them. On the one hand they ask us to be reasonable with them, but when they get a chance, they lick you on the side of the head with a 10 pound mallet. It is a waste of time really. But you know, what goes 'round, comes 'round. While they have a majority here, that is not going to be the way of the entire meeting of this House.

**MR. PRESIDENT:**  
debated.

The question will now be put on the Motion which has been

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

**AYES AND NOES**

**MR. PRESIDENT:**

Would you take a division, please, Clerk?

**CLERK:**

**DIVISION NO. 27/89**

**AYES: 7**

Mr. W. McKeeva Bush  
Mr. John D. Jefferson, Jr  
Hon. Truman M. Bodden  
Mr. Gilbert A. McLean  
Mr. Roy Bodden  
Mr. Franklin R. Smith  
Hon. John B. McLean

**NOES: 8**

Hon. Thomas C. Jefferson  
Hon. Richard W. Ground  
Hon. J. Lemuel Hurlston  
Hon. W. Norman Bodden  
Hon. Benson O. Ebanks  
Hon. D. Ezzard Miller  
Hon. Linford A. Pierson  
Capt. Mabry S. Kirkconnell

**MR. PRESIDENT:**  
fails.

The result of the division is seven Ayes, eight noes. The Motion

**MOTION TO REFER THE LABOUR (AMENDMENT) BILL, 1989 TO A SELECT COMMITTEE OF THE WHOLE HOUSE DEFEATED.**

**MR. PRESIDENT:**

The Honourable First Official Member, please.

**ADJOURNMENT**

**HON. THOMAS C. JEFFERSON:**  
House until 10:00 tomorrow morning.

Mr. President, I move the adjournment of this Honourable

**MR. PRESIDENT:**  
do stand adjourned until tomorrow morning at 10:00 A.M. Those in favour please say Aye...Those against No.

I will try to get it right this time. The question is that the House

**AYES.**

**MR. PRESIDENT:**  
Tuesday morning at 10:00.

The Ayes have it. The House is accordingly adjourned until

**AT 5:10 P.M. THE HOUSE STOOD ADJOURNED UNTIL 10:00 A.M., TUESDAY, 21ST NOVEMBER, 1989.**