

**THURSDAY,  
1ST MARCH, 1990  
10:15 A.M.**

**MR. PRESIDENT:** Prayer by the Third Elected Member for West Bay.

**PRAYERS**

**MR. JOHN D. 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 Assembly are resumed.  
Questions No. 38. The First Elected Member for West Bay, please.

**QUESTIONS TO HONOURABLE MEMBERS**

**MR. W. McKEEVA BUSH:** Mr. President, I have an understanding from the Member responsible that a question is still not ready, so I do not think there is any need to ask it. Thank you.

**MR. PRESIDENT:** Question is deferred, then. Question No. 39, the Elected Member for East End.

**THE ELECTED MEMBER FOR EAST END TO ASK THE HONOURABLE FIRST OFFICIAL MEMBER RESPONSIBLE FOR FINANCE AND DEVELOPMENT**

**NO. 39:** Would the Honourable Member say whether there have been any contracts which have not complied strictly with the Financial and Stores Regulations 1986, and if so, give details of the breach including the person or company involved, its directors, shareholders, registered office, place of business and details of the contract?

**HON. THOMAS C. JEFFERSON:** Mr. President, regrettably I have to ask for the question to be deferred, because the information has not been compiled from the various heads of departments as yet. If the House adjourns before all of the information is put together I will undertake to supply the information in writing. Otherwise, if it is here I will answer the question.

**MR. PRESIDENT:** Question deferred, accordingly.

**QUESTIONS NOS. 38 AND 39 DEFERRED**

**THE FIRST ELECTED MEMBER FOR WEST BAY TO ASK THE HONOURABLE ELECTED MEMBER FOR EDUCATION RECREATION AND CULTURE**

**NO. 59** Can the honourable Member say what will be the cost of the education consultancy now in progress?

**ANSWER:** The cost of the education sector review currently being undertaken is estimated to be CI\$52,261.00.

**SUPPLEMENTARIES:**

- MR. PRESIDENT:** It appears not. The Second Elected Member for the Lesser Islands.
- MR. GILBERT A. McLEAN:** Would the Member say if this cost involves payment also to the expert from the Caribbean, I think he is from the University of the West Indies?
- HON. BENSON O. EBANKS:** Yes, Mr. President, this is the anticipated total cost.
- MR. GILBERT A. McLEAN:** Mr. President, relative to various payments for consultancies, in recent times is it the case that this particular figure is as low as it is because the Member went through the usual channels of request (the United Kingdom) for consultancy?
- HON. BENSON O. EBANKS:** Mr. President, this consultancy is provided through United Nations Development Programme.
- MR. W. McKEEVA BUSH:** Is this projected cost relative to other fees charged by United Nations in consultation here?
- HON. BENSON O. EBANKS:** Mr. President, to the best of my knowledge the cost of consultants depends on the cost of the consultant employed. The rate at which those consultants are paid and the length, the duration of the consultancy.
- MR. PRESIDENT:** The Elected Member for East End.
- MR. JOHN B. McLEAN:** Mr. President. I wonder if the Member would be in a position to give us a further breakdown on this \$52,000?
- HON. BENSON O. EBANKS:** Mr. President, that is the salary and the accommodation for the consultant and air transportation as well.
- MR. W. McKEEVA BUSH:** What about local travel, does this include car hire and so forth?
- HON. BENSON O. EBANKS:** Mr. President, ...and that amounts to \$3,405.94, that is the anticipated cost of that.
- MR. PRESIDENT:** Third Elected Member for West Bay.
- MR. JOHN D. JEFFERSON:** Mr. President, would the Honourable Member say how long this review is expected to take before it is completed?
- HON. BENSON O. EBANKS:** Mr. President, it is in three phases; that is the Chief Consultant has been here and has returned, another consultant will visit in April and there will be a return visit of most of the consultants if not all in June, and a further towards September, when we should have the final report.
- MR. PRESIDENT:** We would now normally move to Item 3, but I believe there is a....

**SUSPENSION OF STANDING ORDER 14(2)**

**HON. THOMAS C. JEFFERSON:** As we all know on Thursday, Private Member's Motion takes precedent. But it is the wish of the House that the debate on Government Motion No. 2/90 dealing with the funding of the George Town Hospital Facilities Improvements should continue this morning. I therefore move on the Standing Order 83 the suspension of Standing Order 14(2).

**MR. PRESIDENT:** The question is that Standing Order 14(2) be suspended. Those in favour please say Aye...Those against No.

**AYES.**

**MR. PRESIDENT:** The Standing Orders have been suspended.

**AGREED: STANDING ORDER 14(2) SUSPENDED.**

**MR. PRESIDENT:** We therefore move to item 4, which was the Government Business, motion to suspend Standing Orders 24(5) and 67(1). I believe that the Honourable Member for Education was speaking when we adjourned.

**GOVERNMENT BUSINESS****MOTIONS****SUSPENSION OF STANDING ORDERS 24(5) AND 67(1)****HON. BENSON O. EBANKS:**

Mr. President, I wish to make a the point, that Members opposite who spoke on this Motion seem to be implying that the three Official Members of this honourable House are here in some inferior position or at least with some inferior type of vote. I wish to make it abundantly clear that the three Official Members are here with the constitutional authority as great as any other Member. Their vote is equal in all respects to any other Member in here. Further, those Members who spoke against this Motion to suspend Standing Orders seem to be using that as the basis of their argument for not suspending Standing Order 67(1) which is the Standing Order which would otherwise say that the Motion for the funds to carry out the improvements at the hospital would stand referred to the Finance Committee. They seem to be using the argument that because the Finance Committee is comprised of 12 Elected Members with the Financial Secretary as Chairman, this is a different procedure from where the Official Member or Members have a say.

I just like to point out that in the case of an equality of votes in Finance Committee the casting vote is held by an Official Member, the Financial Secretary who sits as Chairman of the Committee. Therefore, it is conceivable that the final decision on a matter could in fact be determined by that Official Member's casting vote. I do not think that we should read more into the Constitution and the Standing Orders than is intended. I could also state that proceedings in the Finance Committee are in fact probably the only Committee of this House where the authority and functioning of Members is limited or circumscribed in that Motions for the expenditure of funds, can only be moved by a Member of Government or a motion to increase any amount that might be before that Committee can only come from a Member of Government. So the only advantage in Finance Committee, is in fact in pure raw numbers. It is not that the Finance Committee bestows any extraordinary authority on Members. In fact, as I have said the contrary is true.

I have no hesitation in supporting this Motion. I am satisfied that what is being done here is in accordance with Standing Orders. It is not unconstitutional, and therefore can not cause any unfavourable reflection on this House. On the contrary we are just merely using Standing Orders to conduct the business of Government.

Thank you, Sir.

**MR. PRESIDENT:**

Second Elected Member for Bodden Town.

**MR. FRANKLIN R. SMITH:**

Thank you, Mr. President.

I rise to speak on this suspension of Standing Orders 24(5) and 67(1). I must say that I would have had no problem supporting the suspension of Standing Order 24(5). If that was all that the Member was asking for, it would be no problem. I fully understand the situation and I believe that had the Member used his wisdom and better judgement and brought the original Motion No. 2 to the House in that form, he could have gotten what he sought originally. The public would have heard who was for the extension of the hospital, as we have been saying all along. We want to see this. The public would have heard the same thing but they chose to take it the other route.

I believe why they chose to take it the other route is because I see this route, the suspension of Standing Order 67(1), as the last straw in this Honourable House from the Government to be able to conduct the business they wish to do, without going through Finance Committee.

You, as the President of this Honourable Legislative Assembly, as the Chairman of the Executive Council and as Governor of the Cayman Islands, I believe in your capacity as the Governor and as Chairman you have advised Executive Council that this step to take because when any Government who does not have a majority in the Finance Committee, they cannot conduct the role that they were Elected for in the manner in which they would wish whether, or should I say, regardless of whether the policy that they want to introduce is right or wrong.

If their hands are tied and there is no other alternative for them, I believe that this is the turning straw, this is the last alternative. If this motion fails today, I believe, that you as the Governor of the Cayman Islands will have no other alternative but to advise and call an election in this country.

When a Government cannot function, a country has but one alternative and that is to go the polls for a mandate. I have stood here over and over and in particular the last few days, I have sat here and listened to two of the Executive Council Members who spoke saying that the Backbenchers have used and suspended the Standing Orders on many occasions. Yes, I will agree, but never to this magnitude.

When I went to the people of Bodden Town I asked them for their support. I believed that things should have been different in this house. But I cannot pretend to be a saint and inside of me I am a hypocrite. There is a lot of policies that have taken place in this country and we often hear that the Backbenchers are the ones that are causing the problems. Yet some of those same Members in Executive Council I believe every one of them, has sat on the opposite side. When there was another Government in and the Government had a policy that they felt was necessary for the country, those same Members who are sitting over there opposed it and they did not care what the public said. They stood up for their beliefs. Yet, according to them the Backbenchers on this side are suppose to keep quiet and say nothing. We have no right to say anything on this side, Sir. The good thing about it was that the two Executive Council Members who spoke previously on this Standing Order suspension said the Backbenchers had used or suspended Standing Orders before, but they were

not man enough, nor did they not have the guts to tell the public which Standing Orders we had suspended, used and why they were used. I was sworn into office in this honourable House in November 1988, and I have never during my time in here tried to suspend or even attempt to have Standing Orders 67(1) suspended to circumvent the Finance Committee; nor will I ever. I believe that department is there for a purpose. If it was not there for a purpose, it would not be in the Constitution. I have heard and read in the newspapers where the Member for Health put his political life at stake over the hospital in 1992. He has also said, by the end of June (I presume that to be the 30th of June), it could be the day that he will have 11 good people with strong backbones ready to take this country and guide it where it needs to go. I wonder if we are going to continue to circumvent and to suspend Standing Orders 67(1) for that too. If this Motion fails today, the Government has failed. If it passes, a precedence has been set. This is the only alternative for the Government to function. The Master Ground Transportation Plan will come in under this same Standing Order. I believe the sub-post office will come back in under this same Standing Order. There is no other alternative, sir.

I begged the people of Bodden Town to give me a chance to represent them in 1988. It grieves me to know the kind and type of policy that is going on in this House. I cannot under these circumstances continue to be a part of it. I have thought it over - you are looking - I have something - I believe I was making it in life before I entered this Chamber. I have to admit, there is a lot of things that I did not expect. I have to say to you that I have thought it over very carefully; but I have no other alternative but to hand you my resignation. I would like to ask for the Sarjeant-at-Arms to take this letter to you, Sir. This will pave the way for the Elected Member who holds the Portfolio of Health to start finding and replacing 11 good people, one of those 11 good people, the space is available.

As I said before, I cannot continue to be a part of this system. I had so much trust from the people of Bodden Town and I regret that I have to let them down. So having said that, I have done my part in it. Thank you.

**MR. PRESIDENT:**

this means that this will be in effect in today's proceedings?

Before we go on, I have read the letter delivered to me. I take it

The First Elected Member for Bodden Town.

**MR. ROY BODDEN:**

Mr. President, it is occasions like these that I receive inspiration from and I would like to begin by invoking a little Shakespeare. One of the characters in Hamlet said, "something is rotten in the state of Denmark". I was given a wide-sweeping mandate in the history of politics in Bodden Town from my constituents and with the help of God, I intend to serve them well. No amount of pressure by any two-vote Elected Member of Executive Council is going to drive me from my people and from doing my job here. When I listened to my colleague and fellow representative from Bodden Town tendering his resignation this morning, it only instills the deeper fire in Roy Bodden to continue to fight as I have been for years. I am only sorry that he did not take my advice. It should have been someone else resigning and not him. I have been in contact with our people, they are saying, "you are fighting the good fight", "you continue Roy", "you continue Franklin". Unfortunately, people are made of different metal. I rise to voice my most virulent opposition to the motion at hand. As I sat here and listened to the Member who is responsible for Education, Recreation and Culture (the same Member who on one occasion called me a freshman politician - yes, I am a freshman politician, but I will put my wits and my brains against any of those and their experiences cannot compensate for my achievements, academic, professional and otherwise). I heard him say too, that the First Elected Member for West Bay was corrupting the practice, but I wish to read something which goes back from the Standing Orders of the Legislative Assembly of the Cayman Islands made under Section 38 of the Cayman Islands Constitution Order in Council in 1959:

"Clause No. 66 - Standing Committees (Finance Committee)

There shall be a standing Committee to be styled the Finance Committee for the consideration of the Islands' estimates and financial bills and other business referred to it by the Assembly or by the Administrator.

66(2) The Finance Committee shall consist of a Treasurer as Chairman and all the unofficial Members of the Assembly. Ten shall form a quorum."

I believe that if this Motion is allowed to succeed, it will create ominous precedents in this country and even more importantly, it circumvents established procedures in any Commonwealth country, including those with Governments less open (as we so loosely use the term) or less democratic than our own. I am suggesting that our Standing Orders, for the most part, are taken from the House of Commons. The current ones were made in 1976, taking into account precedents, if not exacts clauses from parliaments with many years of existence. In offering a comment, I want to say again on what the Honourable Member for Recreation and Culture had to say that the presence of the three Official Members does not negate Standing Orders 73, especially Standing Order 73(1) and (2).

This example of the circumvention of established procedure is becoming far more routine than it is an aberration. Those who want to understand where the Government wishes to take this country need look no further because this attempt by the Member with the responsibility for Health and Social Services to circumvent the Finance Committee and circumvent and excommunicate the people's duly elected representatives on the Finance Committee speaks with an obscene eloquence.

I am here today to say that I did not have the advantage of

having a big brother to fight my battles. I was the eldest in my family, my brother is the youngest. I had to fight his battles. He never fought mine so I have always fought for myself and by myself and until the good people of Bodden Town (the 755 of them who so resoundingly put their faith and trust in me) tell me otherwise, I am here by the help and will of God; to do and to stand up for them. I intend, beginning today, to be a different kind of fighter until I am replaced. I can fight for them alone, with the help of the other people who see things as I see them. It frightens me when people try to circumvent established procedures because they believe that they are big.

These Standing Orders are not etched in stone or written in blood and of course, they have been lifted before, but on what occasion and under what circumstances. Certainly, if my memory is as I think it is, just recently I moved a motion waiving them to be able to debate the Government Minute. But that is a horse of a different colour. That does not constitute negating the presence or the authority of the people's duly elected representatives to decide where and how funds will be obtained and spent. I would like this honourable House to take note they are on the verge of creating a Frankenstein. First will come the procurement for the funds for the hospital. We have no qualms against that. It was our idea that it was needed, but after we said as far back as December, we went to each district saying that. So there was no need to move the suspension of Standing Orders to have that done. This suspension is merely a convenience to create a precedent to usher in greater suspensions and greater motions. I want to go on record as saying after this will come the Master Ground Transportation Plan (MGTP) and after that will come the West Bay Sub-Post Office and, any other matters that cause many grave concerns to the Members of this honourable House and the public in general.

*Apies moi le deluge*, after me the deluge. I am not prepared to stand here and let misguided people lead my country into the throws of death and destruction. The annals of the developing countries are rife with people who owe their souls to the IMF, and to the World Bank, and to the InterAmerican Development Bank where currency devaluation is absolutely essential. I end on this note: Roy Bodden was always a fighter; Roy Bodden will remain a fighter. I am inspired by my constituents. In the most vociferous loud voice that I have, I say "no", "one million times no.

**MR. PRESIDENT:**

The Elected Member for East End.

**MR. JOHN B. McLEAN:**

Mr. President, before going into the debate on the Motion which is before us, I would like to go on record by saying that it is with deep regret to see the action taken by a young politician in the House here today. I would give him every encouragement to reconsider and withdraw his resignation. I assure him that more than once I have had much pressure in my 14 years in this House. He must consider that we are politicians, this will happen. He should have a greater urge to fight when he withdraws his resignation. I give him my support and I ask that he give it his consideration.

On the Motion which is before us to have Standing Order 67(1) suspended, I cannot support it, because I see this as an effort to circumvent the Finance Committee. I have always been told by pass politicians (and that is excluding the Second Elected Member in Executive Council because it is quite evident he thinks different). I recall a late Member who has now passed on and individual like Mr. Craddock Ebanks, who, when I first came into this Assembly, making it abundantly clear that in these Islands and indeed in this honourable House the Finance Committee was considered the purse string of this country. I find it hard, at a stage in our development today (and with so much else happening within our country) that we have a Government that would try to take a matter as important as this one which entails our Finance Committee.

I heard a Honourable Member from Executive Council stand here a few days ago and say that this open House is more important than our Finance Committee. I would like him to actually show me exactly how in the world this can be true? We also heard from the Second Elected Member from Executive Council that he had great input in putting our Standing Orders together. Why then, did he include a Committee to deal with the finances of this country into those Standing Orders, if it was not intended to be as important as it has been over the years? As I mentioned awhile ago, I have probably the longest unbroken service in this honourable House. I have never ever seen such an exercise. I have heard in various debates that Backbenchers have suspended Standing Orders. Yes, I have been a party to that, but never to circumvent our Finance Committee. I believe that if this is done it is a retrograde step. I believe it is probably the first time in the Commonwealth that such a thing has taken place.

I, like a previous speaker, is asking that you in your capacity as Governor of the Cayman Islands, use your reserve powers and stop this matter before it goes too far. If the Governor of these islands does not want to take in on himself, I consider this matter serious enough to refer it to the Foreign and Commonwealth Office. Like I said, I have no problem with the first resolve section of this Motion. But I cannot support the second resolve section. I would like also to point out that I have no problem with the Member's original Motion, because this has been our stance from the time we heard about doing something with the hospital. Let us upgrade what we have. Let us spend the funds we can afford. I cannot see the rational behind having to take the step which is taken in this Motion.

I, too have a question in my mind: Is it really only for this case, or is it because this one has been a hot potatoe that it is being used as a test to bring back to this honourable House other matters which we have had to put a stop to. I wonder if the Executive Council has forgotten its duty to this country and its people? If this matter had been channeled in the normal way, we would have been unanimous to go ahead and to vote the money so that the Member could get on with the repairs on the hospital. But because of the route he has taken, it has caused us as Legislators and indeed, this honourable House to lose much time in having to debate this matter to try and put a stop to it. Again, I am asking that you in your capacity as Governor take the necessary steps to do something about this. We can not afford to set this type of precedence in our country. I am certain that the general public would agree with what I have just said.

I thank you, Mr. President.

**MR. PRESIDENT:**  
Member for the Lesser Islands.

Does any other Member wish to speak? Second Elected

**MR. GILBERT A. McLEAN:**

Mr. President, I rise to speak on the Motion before this House on the suspension of Standing Order 24(5) which has been moved by the Member responsible for Health and Social Services. The Motion says that he wishes in accordance with Standing Order 83, to suspend the Standing Order which requires a motion to be given five clear days' notice (and the most shocking part of this is that he also seeks to suspend Standing Order 67(1)), so that his forthcoming request for \$1.5 million of the people's money is not dealt with in the Finance Committee. This is my first term in this House (and I do not claim to be an expert on the Standing Orders or the Constitution, as does the learned Member for Education), but I would like to refer to the Standing Orders that have been quoted. In fact, to read them. But prior to doing so I would like to also state my understanding of what the Standing Orders are. I am sure I will be corrected here, if I try to mislead or make statements that are not so. My understanding of the Standing Orders are that they are the rules which are set down to conduct the business of this parliament. It also sets down what the various Standing Committees do. These rules are numbered from 1 to 86. Some are quite specific, some are not so specific, and I wonder if those which are not so specific have anything to do with the fact that the Second Elected Member from West Bay and the Member for Education intimated that they may have been the founding fathers who drafted these. However, Standing Order 83 says and I quote:

"Any of these Standing Orders may be suspended at any time for a specific purpose by the consent of a majority of Members present."

That I think is very clear; "may be suspended at any time for a specific purpose, but with the consent of a majority of Members present..." Taking that into account the Member for Health and Social Services moved that Standing Order 24(5) be suspended and I would like to read subsection (5), which says:

"Subject to the exceptions specified in paragraph (9), no Member shall make a motion unless he has given notice in writing of that motion either at some previous sitting of the House, or to the clerk, not less than five clear days before the sitting at which such motion is to be made."

In this case the Member did not give the five days' notice and my question is, what is the rush? What is the impending situation that the hospital is going to disintegrate or that this House will suddenly cease to exist why the five days' notice could not be given? We have at least about five other Private Members' Motions to be debated. I do not see the rush and the anxiety for bringing this Motion as it was brought. However, I can understand it based on things that the Member for Communications and Works said on Tuesday, that the purpose of bringing it was for the Member to have aired what the Members of this Backbench feel about the improvements to the Government Hospital. That is somewhat laughable and perhaps the Member has not heard what the Backbench Members said in a written statement to the radio, to the newspaper and indeed all in sundry that we have spoken to. This was a written statement signed and delivered to the various media.

I would like to quote the first statement:

"We believe that the medical facilities in Grand Cayman, Cayman Brac and Little Cayman need to be improved, upgraded and/or renovated. The Caymanian public deserves the best facilities that the Cayman Islands can afford."

That seems very clear to me, so therefore if the Member is suffering pangs of anxiety about hearing what Backbenchers think about renovations to the Government Hospital, that should take care of that problem. I think it goes much further than that. In keeping with what the Member for Communication and Works said, 'the Government has problems in passing all of the money they would choose to pass in Finance Committee for the purposes they choose and giving the amount of information that they choose on it.' In there lies the crux of this matter in my opinion. All of the Elected Members of this House have a duty to the people of the Cayman Islands - every single one - including those three appointed by the Governor. In carrying out the business of this country the Members in Finance Committee are very conscious in handling the monies of this country and realise that unwise expenditure means taxation and many other conditions, that can arise. The people of this country query and insist on being told by the Member what are the hidden agendas behind certain requests. I am suggesting that there is a hidden agenda behind this particular Motion being moved in this fashion at this time.

I do not agree with the Member for Communications and Works in saying that there are Members with authority but no responsibility (unless he is speaking personally). It is responsibility when Members query in detail what expenditures coming before the Finance Committee entail. The problem in the eyes of the elected Executive Council, is that we do so. The only person that has railed up against doing anything to the Government Hospital in Grand Cayman and, indeed the Faith Hospital, has been the Member for Health and Social Services, who moved this Motion here on Tuesday. To fix both hospitals we had to quantize them; nothing was good otherwise. Not the doctors apparently, the nurses, none of the staff really knew anything that was needed or wanted. Yet these consultants had to go and meet with them to find out what were the needs of the hospital. Nothing could be done except, to be guided by a saviour from the United States who had come to save us; tell us what we had, did not have and should have in health services.

The Finance Committee did not blindly vote \$900,000 in

December and give the Member to carry on with the relationship with the International Healthcare Corporation as he would have had it. Certain provisions were stated at the time, so now it seems that the way to get around that is to circumvent the Finance Committee. If I recall in July, seven Members of this Backbench (in a meeting with the Governor when we sought audience with him to discuss the political condition at the time), discussed how parliament function. Indeed there are certain restrictions regarding finances and, while there may be majority support in the House, the House refers financial matters to the Finance Committee. During the course of discussions it was raised that if resolutions and finance were brought to the House, the Government might well circumvent the procedure of Finance Committee in doing what it is charged to do. I wonder if now this has come about and whether the Executive Council with the approval of the Chairman, the Governor has determined that Government in the Cayman Islands should function that way. There are four elected Members on the Executive Council who were elected by people here on this Backbench; three that were appointed by the Governor who are civil servants. That is allowable under the present colonial constitution as we have. It has never been held by many learned scholars to be the right way, a country, a country's executive should function based on the principle that the people have the right to mandate at the poles, those whom they wish to run the country (be that as it may.)

The other Standing Order which was cited by the Member for Communications and Works and the Member for Education was Standing Order 73, which says:

"There shall be a standing Select Committee to be styled the Finance Committee, for the consideration of the estimates of expenditure, financial bills and other business referred to it by the House or by the Governor."

It says it is there as the body to consider the estimates as was done in December. Any other financial bills or any other business (and I presume bills in this context, would mean resolutions such as been brought by the Member for Health), or any other matters referred to it by the House or by the Governor. The shocking thing is that the Member for Health is saying that the House should not refer this 1.5 million dollar expenditure to the Finance Committee. He failed, of course, to read subsection (2) which says: **"The Finance Committee shall consist of the Financial Secretary as Chairman and all the elected Members."** It did not say, "Official Members". I suggest that that was for a reason and that reason is that the 12 elected members be the watchdogs of the people's money. The Elected Member votes the funds to be spent, the civil service arm of Government spends it. That has been long standing for many years. It is conventional, to the best of my knowledge, in the House of Commons and the House of Lords (under the rules of those two organizations) that is the way it is handled. Now the Government of the Cayman Islands (in our limited way of handling things constitutionally) is attempting not to.

It is proposed by the Government to circumvent the Finance Committee where all elected Members and the Financial Secretary sit. True, the Financial Secretary is a civil servant and true (as the Member for Education has pointed out) has a vote and no one wants to take that from him. Again conventional and long traditional in the House of Commons in these instances where there is a tie in such committee, the Financial Secretary casts the vote for the situation to remain as is. That is very significant.

Today, something has occurred in this House that I do not think has every occurred in the history of the Cayman Islands Legislature to date. At least I have not heard about it. I have never heard of a sitting Member of this House resigning as has been done here today. I regret hearing that, because I believe that if any Member in this House has shown a remarkable progress in grasping the functions of parliament as a new Member (as many of us were) it has been the Second Elected Member from Bodden Town. Rather than him being frustrated to the point where he is disenchanted and cannot believe his own ears, in that the Government is bringing a Motion to this House to circumvent him from among us, he should not resigns. He should have called for the resignation of the person who has brought this about.

My understanding...

MR. PRESIDENT:  
How are you getting on?

I was about to say that we have gone over the normal time.

MR. GILBERT A. McLEAN:

I will be speaking a while yet, Sir.

MR. PRESIDENT:

Fine, proceedings are suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 11:08 A.M.

PROCEEDINGS RESUMED AT 11:55 A.M.

MR. PRESIDENT:

Proceedings are resumed.  
The Second Elected Member for the Lesser Islands, continuing.

MR. GILBERT A. McLEAN:

Thank you, Mr. President.

At the time we took the break, I was commenting on what in the history of the Cayman Islands Legislature, is the first, that a Member has resigned in the fashion that it occurred here today. It is my understanding from what he said that his resignation is contingent on whether this Motion to circumvent Finance Committee passes or not. However, he will speak for himself I am sure.

MR. PRESIDENT:

Sorry, I should interrupt you, it is a matter of fact that a resignation either is or is not, it can not be contingent in the way you describe.

**MR. GILBERT A. McLEAN:**

In that case, Mr. President, we are talking then about a resignation. Certainly, if the Government has been seeking to have a political crisis, such as this (which I believe has been in the works and in play by some of the attitudes of Members), then they have one. It has been suggested by the Member who has resigned, that there should be an election in this country to resolve the unsatisfactory situation which has prevailed for many months, I believe solely because of the reluctance of Government in some instances to give information to the other Members in Finance Committee.

I think it all began with Cayman Airways and all that has transpired since that until now. If an election is called, I trust that one believes that this country has been done justice and that this matter does not lie squarely on the shoulders of the Government Members. I hope also that what I term the "Cayman cocaine cartel" will not believe that it is a glorious opportunity for any such persons seeking the opportunity of swaying the way elections will go in this country. I have had my day with some of the boys and I know what I am talking about. I am sure the Government does not.

The Motion which has precipitated this move to suspend Standing Orders is their request for \$1.5 million to be borrowed which they really have not given any details about what it is for. I say that based on the fact that there are seven things listed as to what the money might be spent on, this is listing generalities falls way short of any details of what this is all about or how it was arrived at and, certainly IHC is very much alive in it with their ambulatory concept. Another thing that strikes me exceptionally peculiar about it is that Parliament is being asked to approve in principle a sum of 1.5 million dollars. Perhaps it has happened in the Commonwealth or in other Parliaments in the world, but I have never heard of a Parliament in my life voting to give something in principle approval.

I have always, perhaps wrongly, been made to understand that where financial matters are concerned when they are brought before a Parliament the correct amount is known, the details of it is there, and Parliament approves or rejects. Perhaps we are also setting a new precedent here. I would not swear on that. I am sure there are those more learned in this matter than me and they may come forth to prove me wrong. It is immaterial I think that it is really a mind tickler that a Parliament is being asked to approve monies in principle and that if the specifics are not known it might cost more than 1.5 million. Then what?

This Motion cannot be based on the argument that to renovate the George Town Hospital it is on some plan, because there is no such plan and if there is such a plan it has not been shown to Members of the Backbench. At least the majority. That has been the contention of myself and my other colleagues on the Backbench for sometime, that there is no details about it. We talk about a big book that has been produced. It says there is a plan. Well I have done a fair amount of studies in management and perhaps I have been misled. But I have been taught that a plan is not saying we need two more chairs for example here in Parliament, for the plan to be complete. That is a suggestion. It has to be complete in that the plan is to approach the Clerk to agree or disagree, to make submission to the Financial Secretary to have it included and eventually for it to come to the Finance Committee. To me that is a plan. If that exists in this whole deal, I am unaware of it.

I do not think that in times of war any army has tried to take a barracks by saying that we have got to take that barracks where there are enemy soldiers. I think that plan has to include who goes first, what fire power they are using and the timing, day light, night time, whatever; that is lacks in this whole scenario.

The other thing that puzzles me immensely is why was the submission for this not brought to Finance Committee to seek supplementary funds? When we approved the last estimates the way the funds were reallocated saved one million dollars. You only need \$500,000 more and during the last year Finance Committee approved millions of dollars in supplementary funds. Why not? There must be a reason. That reason certainly is one which raises lots of questions.

I would like to turn to a few comments made by the Member for Communication yesterday. When he speaks about the cloak of secrecy which exists in the Finance Committee and the Member for Health wants to have all of the feelings and opinions of Members of the Backbench aired on the concept or on the matter of the renovation of the George Town Hospital.

Well one thing is certain, that I look forward to airing my position in great detail if and when this Motion gets the floor. I seek no cloak of secrecy and it seems a pity that some of the matters that are safely covered by this cloak of secrecy could not be exposed here in the manner that they are in Finance Committee so that the public could really hear the who, the why, the wherefores, the when of matters which come here.

However, when the Member for Education, our authority on the constitution and otherwise, spoke yesterday he failed to mention Section 36 of the Constitution. And here again it is open to interpretation but for whatever is my comprehension of the English language it reads:

"36(1) The Governor or other person presiding may, when in his opinion the business before the Assembly makes it desirable, summon any person to a meeting of the Assembly notwithstanding that that person is not a member of the Assembly

(2) Any person so summoned shall be entitled to take part as if he were a member in the proceedings of the Assembly relating to the matter in respect of which he was summoned, except that he may not vote."

It might be interesting for some of the witnesses who appeared before the Finance Committee to appear here in this honourable Chamber and make some of the submissions so that the public could hear. It should be very interesting.

So the question of this cloak of secrecy I believe, there are



occasions when for the good of country, security and otherwise, I think it simply makes sense that the Finance Committee functions the way it does.

No one has said that I have heard that they do not support the idea of renovation of hospital here in Grand Cayman or the one in Cayman Brac. The only person that I know that has put a damper on it is the Member who is bringing this Motion. As I recall the hospital in Cayman Brac was only asking for four rooms to be added in a certain way. So I have no fear of saying what I believe and see is necessary for the hospital.

The Member for Communication and Works diverted to some extent, in his debate when he said I quote: "I once heard in debating a Motion when I was on the Backbench the Member of Government said to me in reply to my Motion that 'when you throw stone in a pigpen, the one that hollers is the one you hit'." That is the type of condition that has existed in this House from the Government point of view for sometime. I am a Member here and my colleagues and I, surely do not fall into the category of a pig. I think statements like that are way out of line. No doubt the Member has some ideas of creatures who throw bullets around the place. I wonder what category they fall into.

**HON. LINFORD A. PIERSON:**  
him about the cocaine pushers on the Island.

Mr. President, if the Member would give way. I could also tell

**MR. GILBERT A. McLEAN:**  
giving way. This situation today is one that has arrived at a point in time, when all that has been impending seems to have come about. I wish to make emphatically clear that I will not vote to circumvent the matter of finance applications on resolutions for finance in this country to be dealt with in the Finance Committee.

I trust that as President you will find it prudent to treat this Motion in two resolves and that one will be the suspension of the Standing Order to allow the question of bringing the motion to the House without giving the five clear days notice and that a separate vote will be taken on the resolve to suspend Standing Order 67(1) which is not to refer this matter to the Finance Committee. If they are not separated I will be obliged to vote 'no' in the entire instance.

Lastly, I think that the political situation in the Cayman Islands has come to the point where something has to be finally decided. That includes all persons in this Legislature and most surely Governments actions over the past several months right up to this moment in time. My great fear is what is to come and what will be the end result to my country by the action of the Government? Thank you.

**MR. PRESIDENT:**  
Member for Tourism.

Does any other Member wish to speak? The Honourable

**HON. W. NORMAN BODDEN:**  
dealing with the suspension of Standing Orders 24(5) and 67(1). It appears to me that the controversy centres around the suspension of Standing Order 67(1).

I have to believe that this particular Standing Order is placed there because the architects of our Standing Orders must have foreseen that there could be a need, there could arise a possibility of this particular order serving some useful purpose and therefore it was included for use just the same as the other Standing Orders under which the business of this House is to be conducted and I am sure it was intended to be in an orderly fashion. Much has been said in the debate about the Standing Orders, how they were formulated originally and how they came about. And while I do not profess to be any expert on Standing Orders, I am familiar to some extent with them as other Members are, and it is my understanding that if one deals with how they originated and how Finance Committee came into being, I understand that the first Standing Orders were produced and accepted in the year 1920. In that particular set of Standing Orders no provision was made for a Standing Finance Committee. I imagine as the development process took place the need for a Finance committee was seen as necessary and therefore one was established. I accept what was said, by a previous speaker, one was established in 1959. I imagine through the proper amendment and thus we have the provision today for a Finance Committee and its function clearly outlined in our present Standing Orders which are in use.

Speaking of our forefathers, I am certain that most of them at least would be disappointed with the recent developments in this House. I know that it is quick and easy to call someone a hypocrite but I am not a hypocrite. I intend to speak my mind and exercise my rights same as any other Member of this House. I am certain that most of our forefathers were bound to be disappointed.

In my listening to the debate and the wide variety of other matters being introduced into this debate I could not help but think that in this day and age when there are so many countries in the region and indeed the world, working together to accomplish more for their respective countries through creating an atmosphere of stability, of attempting to develop more respectability, in attempting to improve their economy, in attempting to attract more and more serious outside investors it is indeed difficult for me to accept or understand why there has to be so much dissension and disagreement among 12 Caymanians who claim that we are here for the good of the country. It seems to me that the relationship very sadly for reason or another has always been an on again off again situation which is not in my opinion in the best interest of the country. As I have said before I do not lay this blame on one side totally or the other. I believe that some degree exists on both sides.

The substantive Motion No. 2/90 (and I do not intend to debate that, if necessary I will do so when it reaches the floor of the House), my understanding is that it is not a commitment for funds (as an attempt was made early in the debate. The Motion 2/90 as I read it is asking for in principle for approval to borrowing a sum of money needed to carry out necessary repairs at the hospital. It is, I am

sure, a matter that if in principle approval is given, then full justification would have to be provided by the Member before final approval is obtained. In principle approvals as I understand them are always conditioned to certain factors. I am sure there is no intention to make this any exception. Among many wide-ranging items and matters, reference has been made to early elections; remarks have been made not only in this debate but from other forums as well. On other occasions, remarks have been made about the four elected Members of Council, their position, their role, what they should and should not do, and how we got here.

Let me say as one of the four Elected Members of Executive Council, it is my considered opinion and my point of view that the four Elected Members of Council were put here by our colleagues who acted on their understanding of the mandate given to the majority of elected Members who were successful in the 1988 election. The day that these four Members were elected to Executive Council it was most obvious and abundantly clear (to all present in this Chamber and to the country) that what was done was in full accordance and with full approval of the electorate and I can only conclude the will of the people was being carried out.

I do not at this stage encourage or support an early election for this country. But sometimes I have to wonder which of the evils would be better for us. I do not and cannot accept that the situation in this Chamber amongst the 12 Elected Members regardless of who may be right or wrong that in the final analysis this situation is in the best interest of this country. An early election has its disadvantages, but the continuation of such an unpalatable situation in this House also has great disadvantages to this country. I think one needs to be balanced against the other.

One Member wondered if Executive Council had forgotten their duty to this country. No, speaking for myself and for my other three colleagues in elected Members of Executive Council, I feel that in the 16 months or whatever that we have been here we have done our best to keep up our responsibility to our country constantly before us. I think it also has to be pointed out that this country elected 12 Members to run the country not seven or eight nor four. So this is a responsibility that all 12 must share and must not forget.

There has been accusations that Elected Members of Government, are making an attempt to circumvent the authority of Finance Committee. On the other hand, examining this accusation very closely it appears to me that there is also an attempt by some Backbenchers to transfer the power of the Legislative Assembly to Finance Committee where they have a majority due to the situation which has developed in the composition of this House, which I do not believe was ever envisaged by the architects of the Constitution of the Cayman Islands nor the Standing Orders under which we operate.

Government must be in a position to carry out its policies and its programmes. This was intended and I believe our Constitution was constructed in such a fashion that this would be possible. For to do otherwise would clearly create the chaotic situation with which we are often faced.

In conclusion, since reference has been made to what goes on in the House of Commons I should point out in concluding this short debate, that it is my understanding that in the United Kingdom there is no Finance Committee. The estimates are reviewed by appointed departmental committees. Finally that the largest such committee consists of only 13 people.

I trust that my contribution to this debate will be clearly understood and will be fully accepted for what it was intended and I thank you, very kindly.

**MR. PRESIDENT:**

First Elected Member for the Lesser Islands.

**CAPT. MABRY S. KIRKCONNELL:**

Thank you, Mr. President.

This short Motion before the House has entailed a lot of debate. It has been on the floor of this House since Tuesday. A little bit longer and it will not need to waive Standing Orders.

I understand all of the debate, I have listened very attentively to every speaker yesterday and today. I understand the seriousness of and the responsibility of each one of us sent to this honourable House by our constituents. To do what, in our opinion was best for the people of the Cayman Islands. I have stood on the floor of this House during the last decade speaking frequently on the need for improved Health Care facilities. That is what this Motion will accomplish. In moving this Motion that we are now dealing with, I would like to make reference to that. Standing Order 83 says: "Any of these Standing Orders may be suspended at any time for a specific purpose by the consent of a majority of Members present." I want to make it very clear that I interpret that and I hasten to say that I am not a lawyer, but it says by majority of Members present. So I do not feel that in supporting this Motion today that any Member voting for it will be establishing a precedent.

We are not here in a Court of Law, where the judge would look at previous cases in making his decision. This says the Members present voting on a specific issue will make their decision there and then. No precedent will have been established if we suspend any Standing Order here today. I feel that I am confident in saying this and if I am wrong I am sure that the Honourable Second Official Member will make a legal interpretation of that. Therefore, I think that we should look at this based on its facts and its merits. All of us have publicly stated that we support what this substantive Motion will bring forth and I have no problem with the waiving of Standing Order for the time.

Much has been debated on Standing Order 67(1) which waives (and I shall read, Order 67(1), is quite lengthy) basically the resolution of this Motion says: **BE IT FURTHER RESOLVED THAT Standing Order 67(1) be suspended so that the proposal does not stand referred to the Finance Committee**". As already been established in this House this is not our committal of funds. It is a request that the substantive Bill will be for \$1.5 million. It is my understanding that if this Motion passes the honourable House after these hurdles are passed, it will then come back to this House in the form of a Bill where each of us will again have

the privilege of debate, not only around a table but over the airwaves of this country. Therefore, I have heard many arguments that this may be the forerunner of introducing other issues which we have dealt with in the past. I say if the Standing Orders are proposed to be suspended, again, I will look at them very carefully and if I feel they should be suspended, I will support it. I feel that is a responsibility of any of us elected, to give a clear view. Do not come in here with any preconceived ideas because it is being proposed by Government or something is being proposed by the Backbencher if I am on the other side, I would oppose it.

I feel today that I was elected by my people to do what is best for them and I feel that it is my responsibility to think clearly in what I am doing here today. I am in a position that I do not particularly appreciate, that my vote does make eight. That weighs heavily with me, but I say this I feel for me to delay any further the improvement of the Health Care Facilities in Grand Cayman and in Cayman Brac and Little Cayman I would be going against my own conviction and against my better judgement on the needs of my people. Therefore, after having giving this serious consideration and I want to make it clear to the Members of this honourable House on both and to the listening audience, that I am going to support this Motion before the House for this specific time. I am not establishing a precedent and each and every time that I am asked to suspend a Standing Order I shall give it serious consideration.

Thank you, Mr. President.

**MR. PRESIDENT:**  
to start replying?

We have only a few minutes before lunch, does the Mover wish

**HON. D. EZZARD MILLER:**  
group these varying pieces of debate together.

Mr. President, I would not mind having the lunch time to try and

**MR. PRESIDENT:**  
indicating your likely to be more than five minutes.

I am not sure that is a reason not to start, but I think that you are

**HON. D. EZZARD MILLER:**

Closer to four hours, Sir.

**MR. PRESIDENT:**

Proceedings are suspended then until 2:15 P.M.

#### PROCEEDINGS SUSPENDED AT 12:41 P.M.

#### PROCEEDINGS RESUMED AT 2:20 P.M.

**MR. PRESIDENT:**

Proceedings are resumed.  
The Honourable Member for Health and Social Services.

**HON. D. EZZARD MILLER:** Mr. President, in reply to the Motion for the suspension of Standing Orders, I would like to thank all honourable Members who spoke on this Motion. The country now knows how they try to intimidate us in Finance Committee and to change Government policy to their policy  
The Motion that I moved is a straight forward Motion. It says, in accordance with Standing Order 83, I wish to move the following Motion.

**"BE IT RESOLVED** that Standing Order 24(5) be suspended to allow Government Motion No. 2/90 to be moved without five clear days notice, having been given;

**AND BE IT FURTHER RESOLVED** that Standing Orders 67(1) be suspended so that the proposal does not stand referred to the Finance Committee."

Now, the words "election" and "resignation" are contained nowhere in this Motion. All I am seeking to do via the substantive Motion is to ensure for the people of this country, not only that democracy takes place, but that democracy appears to have taken place and everyone has had their say. I wish to particularly thank the First Elected Member for the Lesser Islands for his support and the concern he expressed for the improvements of health care in the Cayman Islands. I further wish to particularly associate myself with his remarks that this Motion does not set a precedent. If it did, the First Elected Member from West Bay should have had nothing to say about the suspension of Standing Orders and in particular the power of Parliament to do so, or for this honourable House to suspend Standing Orders. The First Elected Member for Cayman Brac and Little Cayman is absolutely and positively correct that each suspension of Standing Orders is done on its own merit. It is effective only for that occasion and for the reasons which it is suspended. Now, what are we trying to achieve? As usual Members could not take the move by Government in good faith. They have accused us of trying to circumvent Finance Committee, of trying to destabilized the country, and of trying to force elections.

With the indulgence of the Chair, I would like to refer to the resolved section of the substantive Motion. That is the Motion for which I sought the suspension of Standing Orders.

Now, that Motion in its resolve section says:

**"BE IT THEREFORE RESOLVED** that the Legislative Assembly agrees in principle to the borrowing of the Governor in Council of such sums, not exceeding 1.5 million dollars, as may be required for the following purposes:

1. the construction and equipping of a 12 bed surgical suite;
2. the conversion of the present Surgical Ward to an Intensive Care Unit;
3. the provision of a trauma/minor Operating Room;
4. the provision of a recovery area;
5. the conversion of the present recovery area to an ambulatory recovery area;
6. the necessary works to correct patient flow and other inadequacies in the present Operating Theatres;
7. the provision of proper and adequate support service areas for the Operating Rooms, Surgical Ward and Intensive Care Unit.

Now this is an approval in principle for Government to go out and negotiate a loan. The details of which, once it is negotiated, it is intended to bring back to this honourable House in the form of a Bill in June, as required by Law in this country.

You know they keep telling me I must do my homework. I did my homework! Now, because the Government having done its homework is making a very open and democratic attempt to correct these problems at the present hospital site, they are jumping up and crying foul and we are circumventing this and causing destabilization.

Before I reply to individual Members and their accusations hurled unnecessarily and unjustifiably at the present Government, I would just like to read the form that such a Bill would take. It says:

"The Bill seeks to authorise the Governor in Council to raise a loan not exceeding 1.5 million dollars on the security of the revenue of the Islands for the purpose of carrying out certain improvements at the George Town Hospital."

A Bill for a Law to Confer Power to Raise a Loan not Exceeding \$1.5 Million for the Financing of Improvements at the George Town Hospital:- Short title, this Law may be cited as the Loan (George Town Hospital Law 1990) authority to borrow. The Governor in Council is hereby authorized to borrow either at one time or by installments an amount not exceeding the sum of \$1.5 million.

Appropriation of borrowing schedule: - Sums borrowed under the authority of this Law shall be applied and hereby appropriated to the various purposes set out in the schedule. The schedule would be those conditions under which we got the approval and principle for as a substantive Motion seeks to do.

**Clause 4** of the Bill, would include Sir, the terms of borrowing. When the loan is negotiated and the specific details and costing is done, it will all come back to this Parliament for open debate.

You know I am tired of giving information. Being as open as possible with Members of the Assembly giving them reports that I have, having the people who make reports to me make presentations to them and then they go and jump around on the platforms and in particular in my own constituency and tell the people, I do not give them any details. This is going to put that to rest. It will all be done out here for the world to hear. The press can be present and report it.

If they are so scared of their position on the improvements of Health Care being aired publicly that they threaten to resign and try to intimidate the Government, and talking about elections...

#### POINT OF CLARIFICATION

**MR. FRANKLIN R. SMITH:**

Mr. President, in point of clarification, I did not threaten to resign, I resigned. You corrected a Member this morning on that.

**HON. D. EZZARD MILLER:**

I have no problem with that. I agree that the Member has resigned (and I will deal with his contribution when I get to it), when I am dealing with each Member's contribution. I just dealing generally now. Other Members have been crying, destabilization. Going to lead to an election. I have nothing to hide about the proposals and what I would see done for the Health Care of this country. I see no reason why if they have the interest of the people at heart as they claim to, why they should object to having not one opportunity to defeat the Government in open debate, but two. They say that Government is looking for confrontation and not cooperation. They get up there crying foul; never been done in history; funds appropriated by Parliament; the prerogative of Finance Committee; everybody knows the threats of how they control the Finance Committee and the appropriation of funds and what they are going to do to the minority Government when they get in Finance Committee.

Now, the Third Elected Member for George Town said that this was a serious matter and he hoped I had studied it in depth. He can rest assured that I studied it in depth and took all the advice I could get from various sources on it.

It is interesting to have heard him say that I sprung this thing so suddenly. He did not even have time to think about it. But he had time to type, table an amendment to the substantive Motion. And he did not have time to check the Constitution.

I believe it is safe to say that that Member spent several years on Executive Council. I believe amendment to the Constitution took place while he was a Member of Executive Council. I would think that he would be most knowledgeable on the constitution. I believe he is you know, Sir. They are playing political games.

He said that this suspension of 67(1) is an opportunity for me to railroad this proposal through Parliament. Nothing could be further from the truth. I am going to give him not one but three opportunities because they spoke on the substantive Motion on the Motion to suspend Standing Orders. They will have a chance later on if he wins the suspension of Standing Orders, to speak on the substantive Motion and then they will have an opportunity in June to speak on the Bill. June is a long time away. I hope that he has time between now and then during his busy schedule to study the full effects. He said that Government is charting a course which he hopes will not be repeated. I do not think the Government is charting any dangerous course by allowing full and open debate on any subject.

He claims that this move on my part is eroding the responsibility and the accountability of Members of the Legislative Assembly and then he and other Members supporting him went into a long discourse and diatribe about the importance of Finance Committee and how it is structured and where the three Official Members do and do not belong.

Let us look at the three Official Members in this Parliament. They are placed there by powers contained in the Constitution of this country. In Part II of the Constitution they are made duly full and equal Members of Executive Council by section (5) of the Constitution. It does not say they are in any subservient position to Elected Members. Under Part III - Legislative Assembly. They are again made equal, not lessor mortals as some Members would have them be. That they can use them when they want and discard them when they do not want and they should not be allowed to vote on the Finances of the country.

The Official Members are charged with very important areas of responsibility. In fact the total financial responsibility of the whole Finance Department in Government is charged to an Official Member duly appointed by the Governor.

Then they get into all sorts of things about how important Finance Committee is, most important Committee in this House. It is the biggest injustice and the biggest travesty in democracy for Government to ask for it to be suspended to allow open debate on a subject.

Experiences, I come out of Finance Committee, I see I give them information. They come out of Finance Committee, they say I did not give them any information. Finance Committee records only agreed or approved or disapproved or disagreed. Not discourse of the debate or the rational. The public knows not who to believe.

Now, here is an opportunity for open Government, open discussion in the hallowed Chambers of this Hall. To tell the people that they represent what the position is. Why should that cause a need for an election?

The First Elected Member from West Bay, in his contribution to the debate which I think he said was styled after a backwoods Baptist preacher that particular debate and not his solemn Presbyterian other debates. He said that the purpose of this Motion was to kick somebody on my part or to get a piece of somebody. I do not need to do that. Why he raised so much fuss about an attempt for open discussion, I will never understand.

As I said what we are talking about here, is democracy in action. Democracy like justice must only be done but it must be clear and apparent that it has been done. I am going to give them, Sir, two bites at the cherry. And they say that I am trying to railroad things through the House.

Now, they say that this thing must go to the Public Tenders Committee, I have no problem with that. When they see the notices appear in the paper they can cry "foul" again. I have been drilled by questions on the IHC contract, and you know the greatest thing in the world is a clear conscience. When one can get up here and answer forthrightly, honestly and truthfully without fear of successful contradiction is a good feeling. They can ask questions, they can imply their innuendos, until they are blue in the face, I have nothing nor does any Member of my Portfolio have anything to fear.

They, in their debate and when they are interrupting other people speaking, make their charges about other contracts, I hope that if and when questions are asked about other such contracts and other connections with forms that are connected to Government, they can stand the test that D. Ezzard Miller has withstood in this Parliament over the last several days and the Government by virtue of that.

They get up and they say we are looking for an election. A vote against this Motion they say is a vote for an election. In starting out my debate I read the Motion. The word election is not contained in the Motion, but you see that is about the fourth or fifth attempt at this intimidation. And their attempt to ride the majority votes over the policies and procedures put forward by Government for the good of this country.

One Member mentioned about pork barreling been wiped out in Finance Committee in December. I want to ask what is more pork barreling when Government brings National projects and majority of votes are used to remove the funds from those National projects to fund district projects. Street lights, private roads, private driveways ecetera. Special interest, what is more pork barreling?

What is more capable of buying votes from special interest or localized areas? National projects or parochial district works? And they get up and draw their inference that we are giving contracts to our friends. None of my friends are needing any favours from me in contracts. They can

compete and earn it.

We heard a lot about me staking my political career on improvements in the Health Plan, and the Health Care for the people of this country. I do not deny that, because myself and the Government, meaning Executive Council because they have divorced themselves from being part of Government. They play pure politics in here, they say I declare political war on them, that is true. But it was not declared from these hallowed Chambers. That was declared from the political platform in Northside. In my constituency where politics should be fought, not in these hallowed Chambers. We are in here as a group of people duly elected to perform the business of Government and running the Country. Not to play politics.

I will play politics with them outside and I promise them that any time they have a political meeting outside I will answer them outside politically. In particular if they come to my constituency and I will go to theirs. That is political, that is democracy. They are entitled to that and so am I. But let us leave politics out of these Chambers, let us not do things for political expediency. Let us not just try to embarrass the Government by defeating them for political purposes. Let us get on with the business of running the country.

This whole debate by them in unison, because remember now, they are caucus on everything we are told, they take a position and everyone spouts that out. In unison they cried "foul". In unison they intimidated Government about elections. No problem, Sir. It is just like I said the fourth or fifth started back in August 1989 when they were all on the front page calling for us to step down. It is just another attempt. And all we are doing unlike them Sir, we are not trying to curtail debate, we are trying to open up debate.

The First Elected Member of Bodden Town as usual started his debate with a quotation. It said something like 'something is rotten in the state of Denmark.' I have one for him too. "education is supposed to convert a closed mind to an open one." That is all that we are asking them to do, is to have an open mind, let the public hear what is going on. As I said, they told me to do my homework. I went home and I spent hours upon hours doing my homework. Now that I did my homework they are between a rock and a hard place. And for them to get up and talk about what I am doing today in terms of the substantive Motion is what they always wanted but I did not want to do.

You know they gave the book a name, they went all through the three islands, crying down the people who did it and to myself and saying they had no details. You know I really wonder if they took the time to read it. Because they said I have no details, no plans, do not have a time table do not have nothing. Illustration 14(2). Implementation Plan Project Time Table, 1990 George Town Hospital Facilities Adaptations, contained in the plan in what they call the 'Book of Ezzard'. Maybe they did not understand that GTH meant George Town Hospital; for that I apologize. We do not have in the back a definition section of abbreviations. I believe that most people who read it, because it is defined other places, but you see if they had read it they would of known that GTH meant George Town Hospital. Where it is used further on, the abbreviations are bracketed afterwards.

As far as the details, they never gave me the money to get the details. How I get the details? They are going to get the details now. We are going to bring them back to open Parliament, then I want them to go throughout the breadth of the land and say the Member for Health and Social Services now will tell us nothing.

I have another quotation for them and you notice that I am not overheated, I am not screaming and hollering, I am not under any great anxiety. What he is talking about here is not for Ezzard, it is for the people of this country. They are the ones that are all excited and worried about elections which is irrelevant to what we are trying to do. This is what the quotation says: "Ignorance does not kill you, but it makes you sweat a lot". To get back to this big hullabaloo about the great importance of Finance Committee. And that it was created by our forefathers and I am setting such a precedent and biggest travesty of Parliamentary democracy of injustice ever perpetuated on the people of this country.

Finance Committee is a part of the House of this honourable Parliament and I do not know of anything that is a part of something that is greater than the whole.

They quote about procedures in West Minister and you heard what the Honourable Member from Tourism said about that. They do not even have a Finance Committee. They have departmental Committees that never number more than 13 Members out of several hundred Members of Parliament. They can go further than that Sir.

The architects and the people who were brought in to review the Constitution of the Cayman Islands in 1972, proposals for Constitutional Advancement Report by the Constitutional Commissioner, the Right Honourable the Earl of Oxford and Asquith KCMG. Page 20. And I quote:

"The present Finance Committee (of the Assembly) consists of all unofficial members of the Assembly with the Financial Secretary as chairman: an unwieldy body. A smaller committee, with a still smaller quorum, could be a convenience and could be entrusted with more useful functions.

*I recommend* that if a Finance Committee is established under the procedure described in paragraph 35 above, it should consist of one official member of the Executive Council (normally the Financial Secretary) as chairman; the four elected members of the Executive Council; and three other members of the Assembly to be appointed by the Administrator on the advice of the elected members of the Assembly. The quorum of such a Finance Committee should be five members in addition to the Chairman."

POINT OF ORDER

**MR. W. McKEEVA BUSH:**

would point what page he is reading from that Report.

On a Point of Order, Mr. President. I wonder if the Member

**HON. D. EZZARD MILLER:**

I thought I did that, Sir. I thought I said that it was page 20. It is page 20, Section 36, entitled 'Finance Committee'. It starts at the second paragraph, from the top and it is two paragraphs long, it is immediately above Section 37, which deals with Presiding in the Assembly.

Now, in which the present Standing Orders, this mans advice was taken in formulating the Constitution in 1972 and the Standing Orders are written in 1976. And it is his recommendation and you know he probably saw a crystal ball, he probably figured there would be days like these when you would have unreasonable people on the other side, and that Government should have the majority in Finance Committee by having four elected Members of Executive Council and only three of them plus the Chairman.

This big storm in a teacup about suspending Standing Orders I would like to quote the First Elected Member from West Bay on the debate for suspension of Standing Orders for the Traffic Law. And this is what it says: (May 22 1989)

"Thank you, Mr. President.

According to what the Second Official Member has said, it seems that Government is scared out of its wits of setting a precedent. I see this as a correct procedure. Our Standing Orders enables us to suspend any Standing Order and I hold that framers of our Standing Orders in 1976 of which at least one is a Member of the Executive Council, must have been looking forward that something of this nature would have taken place. Why else would it have gone in the Standing Orders? It gives just in these cases.

I have been a Member, I have been supportive of the Government and I have, since 1985, talked to Council and talked to Members responsible concerning this said amendment before the House. The promises keep coming, we will bring the Traffic Bill to the House and that will incorporate everything. That has not come."

This particular Standing Order gives the backbencher the opportunity to help himself, his constituents and the country in said matters."

Further goes on to say, Sir.

"Mr. President, the matter is completely within our Standing Orders. Standing Order 83 gives backbenchers or any Member of Government or the House a chance to do exactly what I am doing after the administration has refused to bring something like the Traffic Law to the House. I would hope that the eight Members on this side of the House will stick together at this time and vote a 'yes' on the motion."

Now, it is all right when they move it. But when we use it, it is crying foul, we are destabilizing the country, we are asking for an election.

The Second Elected Member from the Lesser Islands in his contributing reply to the honourable Member responsible for Communication and Works who had said that one of the reasons or one of the good things I think was the term he used about this, is that it would allow open debate. And people could air their views. And the Second Elected Member from Cayman Brac and Little Cayman thought for people to air their views was laughable, something to laugh at. It is no laughing matter, Sir. This was a simple suspension of Standing Orders and they tried everything in the book including one Member resigning to intimidate the Government into backing down. But you know they can beat this Member, but they should know by now that they cannot bluff him.

That Member also ranted and raved about the hidden agenda behind this substantive motion. There is no hidden agenda, Sir. I am prepared to bring it here in open forum. How am I going to have a hidden agenda? Their hidden agendas are carried out under the cloak of secrecy of Finance Committee. All we are saying is gentlemen let the people hear what you have to say.

After these three debates on this issue the public will know the Government has nothing to fear by bringing it public. One has resigned because of that fear and the others are saying we want an election.

**MR. FRANKLIN R. SMITH:**

that? That I have resigned because of that fear?

Mr. President on a Point of Clarification, can the Member prove

**HON. D. EZZARD MILLER:**

Mr. President, that Member insists on interrupting for different purposes, he interrupted me a few minutes ago to confirm that he had resigned. Now he is interrupting me to ask me if I can prove he resigned for a particular reason. I do not know what reason he resigned for, but judging from his debate in which he said that a vote against this Motion was a vote for an election. He resigned, that is his

perogative as a Member. His interrupting me and saying that he is a man and I am a boy, your are a man, do not withdraw it!

This Motion before this honourable House, simply seeks to allow open debate. I have brought a substantive Motion which if carried only authorizes in principle, it does not authorize expenditure by me or the Government. We have to come back with a Bill to get that authorization. We are prepared as I said to give them two opportunities to once again deny funds for Health Care improvement and to state their case. Two opportunities to do it publicly.

The Government has nothing to fear from the public in this country hearing what, when, where and how it wants to improve health care in this country for its citizens. The Second Elected Member from Cayman Brac, Mr. Gilbert McLean, made what I thought was a far reaching statement. I was not sure if I had heard correctly, so I went and got a transcript of it. This is what that transcript says:

"If an election is called here, I trust that no one believes that this country has been done a justice and that this matter does not lie squarely on the shoulders of the Government. And I hope also that what I term (and this is the Second Elected Member from Cayman Brac, Sir, not me) the Cayman Cocaine Cartel will not believe that it is a glorious opportunity for anyone of such persons as I so termed seeking the opportunity of swaying the way the elections will go in this country."

I further quote, Sir:

"I have had my day with some of the boys and I know what I am talking about. I am sure the Government does not."

I just want to emphasise that the Government, meaning the four Elected Members of Executive Council, the three Official Members and I would also include the first Elected Member from Cayman Brac and Little Cayman knows nothing about a Cayman Cocaine Cartel, nor have had any dealings what so ever with any Cayman Cocaine Cartel. I will add further, if that Member has such information he has a duty and a responsibility to bring this information to the proper authorities of this country.

**MR. GILBERT A. McLEAN:**

wanted to interrupt me to do so.

Mr. President, I think his colleague can give that information, he

**HON. D. EZZARD MILLER:**

None of my colleagues know anything about it, Sir. He has said here, that he believes, in fact he says I am sure the Government does not. So how are one of my colleagues going to know about it. From his own words he says we do not. But he says that I know, he knows what he is talking about and I am saying if he does, bring it to the proper authorities and let us take the proper action. Most of the other political rhetoric and irrelevancy is not worthy of a reply.

The Government is doing nothing unprecedented and they keep telling me the Member must do his homework. This Member does his homework. In 1973 and prior to that in the sixties, I am fairly certain that most Government loans were authorized by Bills brought before the Assembly and the funds, the \$50,000 to build the Natural Resources Lab, was brought and authorized by open Parliament. There is Legislative authority behind what we are doing.

Tell them to get their great legal brain with his three degrees to find it. Because it is required in Law and you know most of the loans and guarantees in particular even already been authorized in Finance Committee have to come on the floor. Several of them come on the floor for resolutions, to be approved by Parliament before they can be signed.

So let them cry foul, Sir. As I said the Government is interested in open democracy. I ask Honourable Members to support the suspension of Standing Orders.

Thank you, Sir.

**MR. PRESIDENT:**

Question will be put separately on the two propositions in this Motion. The first, the suspension of Standing Order 24(5).

**AYES AND NOES.**

**HON. D. EZZARD MILLER:**

Mr. President, could I have a division please.

**MR. PRESIDENT:**

Clerk, take a division, please.

**DIVISION NO. 7/90**

**AYES: 15**

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. W. McKeeva Bush  
 Mr. John D. Jefferson  
 Mr. Truman M. Bodden  
 Capt. Mabry S. Kirkconnell  
 Mr. Gilbert A. McLean  
 Mr. J. A. Roy Bodden  
 Mr. Franklin R. Smith  
 Mr. John B. McLean

**MR. PRESIDENT:** The result of the Division is 15 Ayes.

**AGREED UNANIMOUSLY: STANDING ORDER 24(5) SUSPENDED.**

**MR. PRESIDENT:** We shall now put the question on the second proposition which is the suspension of Standing Order 67(1). Would you take a division, please Clerk?

**MR. PRESIDENT:** Those in favour please say Aye...Those against No.

**AYES AND NOES.**

**MR. PRESIDENT:** Would you take a division, please Clerk?

**DIVISION NO. 8/90**

**AYES: 8**

**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  
 Capt. Mabry S. Kirkconnell

Mr. W. McKeeva Bush  
 Mr. John D. Jefferson  
 Mr. Truman M. Bodden  
 Mr. Gilbert A. McLean  
 Mr. J. A. Roy Bodden  
 Mr. Franklin R. Smith  
 Mr. John B. McLean

**MR. PRESIDENT:** The result of the Division is eight Ayes and seven Noes. The motion has accordingly passed.

**AGREED: STANDING ORDER 67(1) SUSPENDED.**

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

**PROCEEDING SUSPENDED AT 3:16 P.M.**

**PROCEEDING RESUMED AT 3:44 P.M.**

**MR. PRESIDENT:** Proceedings are resumed.  
 Government Motion No. 2/90. The Honourable Member for Health and Social Services.

**GOVERNMENT MOTION NO. 2/90  
 FUNDING FOR GEORGE TOWN HOSPITAL FACILITY IMPROVEMENTS**

**MR. TRUMAN M. BODDEN:** Mr. President, I had tabled an amendment to the Motion.

**MR. PRESIDENT:** Well the Motion has to be moved before the amendment can be taken.

**MR. TRUMAN M. BODDEN:** Oh, I am sorry, yes.

**HON. D. EZZARD MILLER:** Mr. President, I beg to move Government Motion No. 2/90 entitled Funding for George Town Hospital Facilities Improvements. The Motion reads as follows.

**"WHEREAS** there is a critical shortage of beds at the George Town Hospital, in particular in the surgical area;

**AND WHEREAS** the interim projects on the Surgical Review and Infection Control indicate that structural corrective action needs to be taken as a matter of priority;

**BE IT THEREFORE RESOLVED** that the Legislative Assembly agrees in principle to the borrowing by the Governor in Council of such sums, not exceeding 1.5 million dollars, as may be required for the following purposes:

- (1) the construction and equipping of a 12 bed surgical suite;
- (2) the conversion of the present Surgical Ward to an Intensive Care Unit;
- (3) the provision of a trauma/minor Operating Room;
- (4) the provision of a recovery area;
- (5) the conversion of the present recovery area to an ambulatory recovery area;
- (6) the necessary works to correct patient flow and other inadequacies in the present Operating Theatres;
- (7) the provision of proper and adequate support service areas for the Operating Rooms, Surgical Ward and Intensive Care Unit.

**MR. PRESIDENT:** Government Motion No. 2 of 1990 has being duly moved. Does any Member wish to speak to it?

**MR. TRUMAN M. BODDEN:** Mr. President, I have circulated an amendment to that Motion, Sir. I would like at this stage to move that amendment.

**MR. PRESIDENT:** Before you move it, could I comment. I have considered this very carefully during the interval and in the light of the debate on the previous Motion it is my view that under Standing Order 35, subsection 2, this amendment would be out of order in that it attempts to revive a matter or, indeed, any specific question upon which the House has come to a conclusion during the current Session.

**MR. TRUMAN M. BODDEN:** If I may just speak on that, Sir?

**MR. PRESIDENT:** By all means.

**MR. TRUMAN M. BODDEN:** I do see your point and definitely there is some overlapping. Sir, I have been looking at the Standing Orders as well, and removed the reference to bringing this to the Standing Finance Committee if I could have the amendment making the contracts in other words, Sir, if we removed the first part of the proposed resolve which says:

"...details of all the costs, plans, equipment and consultancy (if any) and carrying out of the works shall be brought to the Standing Finance Committee of this honourable House for final approval prior expending any sums...."

So if we remove "Standing Finance Committee" and just left this "honourable House" would that segregate it from the Standing Finance Committee? Secondly, if not, and the whole of that had to go, whether you could see fit to severing the latter part of that same proposed resolve:

"...and that all contracts, including the contracts of experts, consultants and specialists, shall be put to public tender in accordance with the Financial and Stores Regulations 1986.";

**MR. PRESIDENT:** If you will give me a moment to consider that.

**MR. TRUMAN M. BODDEN:** Yes, Sir,

**MR. PRESIDENT:** I think your first suggestion could be dealt with by the honorable Member giving an undertaking that it comes to the House rather than having to go through the procedures of an amendment.

Now the second part. Well, again, I think that could be dealt

with the same way. I am simply trying to save the House's time. This is my objective. Would you like to consider that? I am quite prepared to suspend while you think that over.

The House is suspended for a few minutes accordingly.

**PROCEEDINGS SUSPENDED AT 3:50 P.M.**

**PROCEEDING RESUMED AT 4:02 P.M.**

**MR. PRESIDENT:** Proceedings are resumed.

**MR. TRUMAN M. BODDEN:** Mr. President, I had tabled an amendment to Government Motion No. 2/90. However, I will not be pursuing this amendment, Sir, as I understand that the honourable Member in his opening on the Motion will state that he is prepared to give details of all the costs, plans, equipment and consultancy, if any, incurring out of the works to this honourable House at the next Sitting, I would assume, and that all contracts including the contracts of experts, consultants and specialists, shall be put to public tender in accordance with the Financial and Stores Regulations, 1986.

**HON. D. EZZARD MILLER:** Mr. President, I repeat as I did in the debate on the suspension of Standing Orders that all funds raised by the loan will be expended in accordance with Financial Stores Regulations and where required by these regulations only after public tender. I have no problem with that, Sir, and I have also said that I would bring all the details as part of a Bill in June for honourable Members to discuss publicly and openly.

**MR. PRESIDENT:** Thank you. In that case we shall proceed with Government Motion No. 2 of 1990. Would the honourable mover wish to speak?

**HON. D. EZZARD MILLER:** Yes, Mr. President.  
This Motion is as a result of Government's concerns of the conditions of the George Town Hospital. It is also as a result of meetings held with the Hospital's Management Committee in terms of what they saw as the areas of most important need right now. It is in keeping with Government's stated policy as accepted by Executive Council in January this year, and as contained in the report by the Consultants, Sir. In consideration of this, Sir, and the fact that Government has accepted the building of a new, 96 bed, in-patient facility, with emergency and trauma facilities, the adaptations and changes made as a result of this expenditure will in no way reduce the need for a new hospital. It will simply buy us the time needed to design, construct and equip one in accordance with the Financial and Stores Regulations. Mr. President, part of what has been accepted as Government's policy is the conversion of the present hospital, after the new hospital is built, to an ambulatory centre and basically a nine to five operation. These adaptations to allow us the time needed to construct the new facility are to be done in such a way that this \$1.5 million dollars in expenditure will not be wasted; meaning that in conjunction with these amendments the Management Committee is looking at a Master Plan Development for the present site and where and how the various outpatient and ambulatory services should be constructed in order to provide optimum and convenient service to the public.

The Master Plan, Sir, calls for the development of a ambulatory surgical area and it is proposed that this addition will be constructed in such a way that the exterior walls will remain intact, so that when the new hospital is built only minor changes will have to be made to the interior to facilitate its conversion to an ambulatory centre.

So Sir, we are trying to be as cost effective as possible in the expenditure of Government funds and to maximize the return on any expenditure made by Government on the present site. The present surgical ward consists of eight beds and they are in very cramped quarters.

The Management Team at the hospital, in consultation with the IHC consultants who did the overall plan from which Government has accepted recommendations as policy direction in which Health Care Development should move in this country, feel that the addition to the present wing of the operating room, should allow for 12 beds and also for the construction of a minor operating and trauma room, will greatly alleviate two major problems at the hospital.

First there is the shortage of beds at the present time for the surgical area. The reason we feel we only need to increase it by four is because we are going to shift those procedures to an outpatient surgery service as it is more appropriately and less costly, and it will provide a better quality care for that type of operation. So the demand in-patient beds will be less and we feel that 12 beds will adequately provide until such time that the new facility is built and then the present surgical ward will be vacated.

When the present hospital was built in 1974 to 1975, the kind of Health Care offered in the Intensive Care Units was not as specialized, and less critical in nature; and the four rooms adjacent to the nursing station were adequate for those purposes. It has, however, become increasingly obvious to the professional staff at the hospital that these are no longer adequate. So we will convert the present open surgical ward to probably a six bed intensive care unit, with the necessary bells, whistles and equipment to properly monitor the health care of the people. The addition of the intensive care unit will provide better patient care than we are presently capable of administering, simply because of physical limitations, it has nothing to do with the professional staff. The staff are capable, willing, and able, to provide an even higher quality, and a more intensive and critical level of health care than present. They are severely restricted because of the physical limitations that we now have.

So the conversion of the surgical ward to an ICU will allow us to

improve the comfort of patients, the quality of care to the patients, and staff job satisfaction because they will be better able to perform their professional functions.

Mr. President, item 3 of the Motion, 'the provision of a trauma minor Operating Room', is also seen to be very important under the present situation. The present situation is that our trauma room is part of the out-patient area. There are inherent difficulties in the design of that building which prohibits and does not lend itself to adequate design and adaptations for a proper trauma and minor Operating Room.

The present area is used for a multitude of purposes. There are two or three beds for dressings and observations. The minor operating room has several limitations. It is a corridor at times. But all of this can be corrected if we add a trauma and minor room when doing these adaptations. And that money will not be wasted because when it is converted to the ambulatory centre minor procedures can still be done there. They will be able to maximize output from the ambulatory surgical centre. Right now we have to, at times, leave one of the operating rooms vacant, even though we may have people scheduled. There may be a lady in maternity who needs a cesarean section or there may be accident cases and trauma. So with the addition of this room we will be able to operate both operating rooms and even extend the operating hours so as to better facilitate the demands of private physicians.

We have already added professionals to the staff who have the necessary diplomas in anesthesiology and such to allow this kind of extension. I think we now have three or four physicians who have diplomas in anesthesiology. We have a nurse anaesthetist and, of course, we have our own fully qualified Caymanian who is a board certified anaesthetist. So this in its self will lend much flexibility (which we do not now enjoy in the present facility) and will much improve, the patient care. Once the minor operating room in out-patient area is vacated, it can be utilized for dressings, injections and other out-patient functions. Patients have to wait, for this type of attention because we just do not have the space to function effectively.

The professional staff at the hospital, and the Management Committee in particular, fully support the addition of this trauma/minor Operating Room to the operating suite.

Item 4, Sir, 'the provision of a recovery area'. Again, this will maximize the out-put from the surgery. We will not have to occupy our ICU beds with surgical recovery. People recovering from anaesthetic would be observed from the surgical nursing station. Once they have recovered, they can be transferred from the surgical ward and another patient can be moved into the recovery area.

At present we have a small recovery area in the operating suite which has very limited equipment. I think it was designed to provide only piped oxygen. This area, Sir, including the present surgeons' lounge, would be redeveloped and expanded to take in both the surgeons' and doctors' lounge to become the recovery area for the ambulatory patients. Less intensive observation would be needed for these patients than for those who undergo general surgery.

So here again we would be able to increase the out-put, and service to the general public. Maybe then, we would be able to eliminate the delays presently incurred, in particular, with regard to elective surgery. At present people may have to make appointments two or three months in advance. Again, to accommodate a lot of ambulatory surgery, we feel this is the way to develop the facility. The medical technology, Sir, is advancing very rapidly, particularly with the introduction and use of fiber optics and moveable cameras. Much that is done in the inpatient facility would be done in the out-patient surgery so that within a couple of hours one could go home and be back at work within one week rather than in a month. And you were in hospital for two or three weeks, Sir.

We have provision in this year's Budget to buy fiber optics equipment. Therefore it is reasonable to allow the development of the areas to facilitate their use.

Item 6, 'the necessary works to correct patient flow and other inadequacies in the present Operating Theatres'. Again this is seen to be very important. It has become increasingly clear from the interim projects that we have to correct inherent design inadequacies of the present surgical suite.

Mr. President, on 18th December 1989, Members of this honourable House were given interim reports on both the Surgical Review and Infection Control. There are as I said inherent problems in the design such as the volume of air circulated in the operating rooms. Whether there is positive or a negative air pressure, air should come out of an operating room upon entering; it should not go in. The reason for that is to provide a wash affect and to help control and prevent infections. The professionals at the Hospital are of such a calibre that we, in fact, have very few post operative infections. but we have had some. They have done a marvelous job in preventing cross-infections and in the whole realm of infection control; albeit they have had to work under these inadequate designs. Having overcome those design inadequacies, as well as dealing with patients' illnesses, I offer them, Sir, my strongest and warmest congratulations. If we are to take the next rung on the ladder, Sir, with regard to the quality and type of health care provided to this nation (if we are to go to increasingly secondary and lower tertiary health care provision in this country) we have to correct these inadequacies, because as we move into areas of more critical, intensive health care it will become increasingly difficult for the staff to control infections etcetera. So we are taking the opportunity to correct these inadequacies and to provide additional protection barriers, and to provide proper shelving in the operating theatres and such which were not done when these facilities were built in 1983. All of this, Sir, is an effort to increase and improve the quality of health care available to the people of this country. The people of this country deserve nothing less because, regardless of our economic status, or our contacts in the health care field, we may have to be admitted to that hospital. Forty-two per cent of all cases are trauma at the hospital and any of us may be struck by some catastrophic trauma or illness. All we are trying to do, Sir, is to improve the availability and to increase the accessibility of improved quality care in this country.

Mr. President, we believe in improving and increasing the level

of critical and specialized care that we are offering. This in itself, will offer savings because Government will not have to bear the cost of sending patients overseas. We have the professionals. We have the personnel capabilities. What we do not have are the physical capabilities to allow us to perform. All this should result in a savings of between \$250,000 and \$500,000.

Mr. President, item 7, 'the provision of proper and adequate support service areas for the Operating Rooms, Surgical Ward and Intensive Care Unit'. If we are to maximize the out-put; if we are going to increase our capability; if we are going to increase the intensity and raise the level of critical care with which we are dealing, we have to also improve the patient flow and the support services. And here we are talking about simple things which mean a lot. For example, the installation of pass through autoclaves would allow absolute and clear separation of dirty instruments and packing from sterile instruments. One room could be utilized for all the cleaning by ultra-sound or by chemical means, and for packing. Sterilization indicators could be added either inside the pack or by tape on the outside and would be fed into an autoclave on the dirty side of the room. An autoclave has a door which leads into the clean room. After the sterilization cycle is complete the instruments and their packaging are taken out on the clean side and stored for use in operating rooms.

We have to improve the patient facilities' rest-rooms and such. We have to improve other support services such as storage and sluice rooms which, in some instances, are inadequate because of the number of cases that we are now doing.

The growth in surgery. In 1983 we had 286 cases. In 1988 we had 446 major cases. This is an increase of 56 per cent over five years. In 1983, we had 299 minor surgery cases. In 1988 we had 532. An increase of 78 per cent. So we can see quite clearly that the demand for increasing services is real. These increasing frequencies place increasing demands on the support services.

**MR. PRESIDENT:**

May I interrupt you. How much longer will you need?

**HON. D. EZZARD MILLER:**

Probably quite some time, Sir.

#### STATEMENT BY THE PRESIDENT

**MR. PRESIDENT:**

In that case before the adjournment is moved I would like to say a word about Mr. Franklin Smith. I know it is not in order to refer to a Member by name but I think on this occasion it may be acceptable.

I would like to express my very considerable personal regret that he has decided to resign from the House. I hope it will be appropriate to speak on behalf of the House and to express regret on behalf of us all. Having been only a short period in the Assembly but you always been an active and lively contributor to the debate and processes of the House and I would like to wish you every success in your future activities.

**MR. FRANKLIN R. SMITH:**

Thank you very much, Mr. President, but I wish I could accept that from you and all of the House but I believe that from some it will be true. I would like to take this opportunity to say thanks to my constituency of Boddan Town for having giving me the chance. I know there are going to be some who are disappointed and some who are going to be rejoicing, as in this House. I would like to say that I have had a good relationship with the Backbenchers. I wish I could say that about the Executive Council Members. My colleague, Mr. Roy Bodden, the First Elected Member from Boddan Town; it is with deep regret that I have to leave you in here by yourself, but I believe you are able enough to fight your battles on your own and I wish all the other Backbenchers every success and I urge them to keep up the good fight. I must say, Mr. President, that in particular when Executive Council was formed, I know I went against my conscience from then but I guess as the saying goes, 'no use in crying over spilled milk'.

I tried to work with them and I have to admit that I fully resented being told by them that you must not talk to the rest of the Backbench Members, they did not do us any good, they did not do the country any good and I feel the relationship has broken down especially from all this last year. I have contemplated this for a long time now, from way back then. It has finally come to where I have as the saying always goes 'put the money where your mouth is', that I have done, Sir, put the letter in.

I wish as I said all the success for the Backbenchers here, I pledge to continue to support whatever I can, in which ever way I can. Again, I wish to apologize to the constituents of Boddan Town, that I have taken this step that I feel it is in the best of interest as I have said before, I can not continue to be a part of a system where we have some saying they are saints and yet they are hypocrites.

Thank you, Mr. President.

#### MOTION FOR ADJOURNMENT

**HON. THOMAS C. JEFFERSON:**  
until 10 o'clock tomorrow morning.

Mr. President, I move the adjournment of this honourable House

**MR. PRESIDENT:**  
wish to speak?

I think the adjournment is being moved, are you intimating you

**MR. W. McKEEVA BUSH:**

Mr. President, I think, if you will allow, that it would be appropriate for those on the Backbench to speak on the adjournment in regards to our colleague who has

resigned.

**MR. PRESIDENT:**

I think that is reasonable, but I do think we should keep sensibly short as is the normal tradition. Who would wish to speak? The Third Elected Member for George town.

**MR. TRUMAN M. BODDEN:**

Mr. President, this is a sad day I think for this House as well as for the Cayman Islands. It is one in which we have perhaps seen history made in that I believe it is probably the first time that a Member in a sitting has actually resigned. We as Backbenchers have appreciated the Member very much. He has been very forthright, very honest and very hard working and I believe that we will all miss him.

I know he has said that we should keep up the good fight, but that could have been much better if he had remained with us. We are really at this stage at least temporarily without a Member who has been very sincere in the country's interest and who has stood up when he had to stand up in this House. However, it is his decision and I believe that we must respect that decision, I think all of us would want to join in saying that we wish him all the best in his future career. I believe that we can call on him, at least I will (from time to time) for advice and I have been assured that will be forthcoming.

Mr. President, it really I guess has caught us by surprise somewhat as well because many times Members say they are going to resign or they do not want to continue, but it has in fact never happened before. As a result I am lost for words. All I can say to him, Sir, is thanks very much, I believe that he has contributed in a short period here and I wish him all the best.

**MR. W. McKEEVA BUSH:**

Mr. President, I too would like to say a few words on his behalf. Political life has never ceased to amaze me, Sir. I take it hard to see a colleague resign from his seat after enjoying a mandate that he was given from the Bodden Town people. He has said that he has made up his mind and who are we to say otherwise when a man says that he can not live with the system.

Mr. President, that goes deep in our little democracy. When a man says that he worked with people who expected him not to associate with other people, that goes deep in a democracy. When a man says that he supported people that from his own deep conscience he did not want to, that says something about democracy. I am glad of our association over this past, or since 1988 as a Member of this House.

Mr. President, I remember when the Member came to this House, in fact I remember the night he was elected. Some people cast doubts on him like they did on myself, because they said we were not from a university. I believe Mr. President, that the Second Member from Bodden Town did well in representing his people, the issues he stood for, the battles he waged on the things that he thought were wrong. I am sorry to see him go. I wish that he had changed his mind. I wish that he would still go to his Excellency the Governor before this day is out and say I changed my mind. But knowing him, he is a man who stands by his word. He has put his money where his mouth is, where as some people who believe that they are invincible and immortal would not dare to do that. I take my hat off to him while I am sorry to see him go. I say this, Mr. President, that I will be supporting a candidate in that constituency, that I believe will represent the Bodden Town people, that will come into this House and vote their conscience and not be an extension cord for the Executive Council or for anybody for that matter.

I hope (while not knowing the exact issue why he has resigned) that all of us in this House, while we preach so much about peace, while we talk and pontificate so much, will take this as a lesson. I wish him all the best in his business career. I wish his family well, and anything that I can do to assist him, I will continue to do so. I will work hard to see that his replacement here is somebody with backbone.

Thank you.

## ADJOURNMENT

**HON. THOMAS C. JEFFERSON:**  
o'clock tomorrow morning.

Mr. President, I move the adjournment of the House until 10

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

The question is that the House do stand adjourned until

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

**AT 4:40 P.M. THE HOUSE STOOD ADJOURNED UNTIL 10 O'CLOCK, FRIDAY, 2ND MARCH, 1990.**

**FRIDAY  
2ND MARCH, 1990  
10:13 A.M.**

**MR. PRESIDENT:**  
Communications and Works.

Prayers by the Honourable Member for Agriculture,

**PRAYERS**

**HON. LINFORD A. PIERSON:**

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.

**ANNOUNCEMENTS BY THE PRESIDING OFFICER**

**MR. PRESIDENT:**

Proceedings of the House are resumed.

First of all, I would like to welcome the acting Attorney General, who was duly sworn this morning in regard to the duties of his high and responsible office.

Second, I have a message from the Governor to read to this

House as follows:

"I think it appropriate to comment upon certain statements made in the Legislative Assembly yesterday, the 1st of March, 1990.

First, there is no power vested in the Governor, either in the Constitution or in the Royal Instructions, to intervene along the lines suggested by some Members yesterday, namely, that the Governor should instruct the Executive Council to withdraw a Government Motion. Members should, however, rest assured that if it is appropriate or required under the Constitution that the Governor should intervene in any matter, he will. There has so far been no point at which such a possibility has arisen because all that has been done and said fell properly within the limits of the Constitution and the Standing Orders of this Assembly.

There was a suggestion that the three Official Members are, in some way, not full Members of the Assembly and this point was properly refuted by Members of the Government. If any Member of the House considers that the Constitution should be changed in order to alter the position of the three Official Members in some way, the opportunity to make that point was available in the debate on the Throne Speech. While the Constitution remains as it is, the powers and responsibilities of the three Official Members remain as set out in the Constitution."

Government Business, Item 2 on the Order Paper, Government Motion No. 2/90 continuation of debate. The moving of the Motion by the Honourable Member for Health and Social Services.

## GOVERNMENT BUSINESS MOTIONS

### GOVERNMENT MOTION NO. 2/90 FUNDING FOR GEORGE TOWN HOSPITAL FACILITIES IMPROVEMENTS

**HON. D. EZZARD MILLER:**

Thank you, Mr. President.

On the adjournment yesterday afternoon I was dealing with the seven points which the Portfolio and the Management Committee at the Hospital, in full consultation with the professionals involved, feel the improvements are needed to improve the hospital on a short term basis.

I made the point earlier, in moving the Motion, that these improvements in no way reduce the need for a new hospital. They are simply designed to allow us to provide services, (services that we cannot now provide because of physical limitations) in the interim period of building and bringing into operation the new hospital. All monies expended at this time are to be expended in such a way that the buildings will serve beyond the erection and operation of the new in-patient facility. They are to be designed so that they can easily and inexpensively be converted to the ambulatory centre. Item (7), the 'provision of proper and adequate support service areas for the operating rooms, Surgical Ward and Intensive Care Unit,' is an integral part of the adaptation and development of the present site. These support services are becoming increasingly more important because of increased specialisation and the continuing rise of the intensity and level of critical care. We have the professional staff to deliver, but simply do not have the facilities to do so.

Government believes that these seven areas can alleviate some of the present problems and provide the time necessary to build a new hospital. As stated earlier this Motion simply asks for an approval, in principle, to allow the Governor in Council to borrow these funds. It is the intention of Government and of myself (and I give the House and the people of this country the full undertaking that when the details of the loan are known, and when all of the design work and costing has been completed) to bring a bill before this Parliament in June to authorise the expenditure; the level of which will be known at that time. That level will be controlled by this Motion which limits it to \$1.5 million. The House will have the opportunity for open debate to agree or disagree with what is being done and to approve or disapprove the Bill at that time. I ask all Honourable Members to support the Motion for the funding of the George Town Hospital Facilities Improvements. Thank you.

**MR. PRESIDENT:**

The First Elected Member for West Bay.

**MR. W. McKEEVA BUSH:**

Mr. President, we are debating a Motion which should have been passed by this Honourable House a long time ago, instead of the Member moving it now. We suspended Standing Orders to get to it. We could have done that the first day. We suspended Finance Committee for what reason, it can not be justified.

From day one it has been our contention that there were projects that needed to be tackled immediately at the George Town Hospital. The Member moving this resolution and caused such a furor in this House unnecessarily, always contended that that was not the position. What was needed was a brand spanking new 96 room hospital. The minutes of this House will bear me out that he said that and subsequent happenings. We can not forget that there were pictures in the newspaper which he had done, even to the extent that he put in the front page of the newspaper of this country a women of high integrity. That seemed to say, and painted a picture, that there were needs for a new hospital and not renovations because of the difficulties existing in the various aspects of the hospital.

In December, when the Member came to Finance Committee he had \$900,000 in the Estimates which he said, at one point, was part of \$2.4 million and at another point he said it was part of \$2.8 million. We told him to get your costing and proper plans for the interim projects. We gave him \$350,000 for Management Systems. That was in December, Mr. President.

I want to read you a part of the minutes of Finance Committee on the December the 20th, 1989:

#### "HEAD 28 - ADMINISTRATION - HEALTH AND SOCIAL SERVICES

In accordance with the provisions of Standing Order 65(3), Mr. Truman Bodden moved that Head 28, Sub-Head 07-014 - Fees Consultancy, be reduced by \$450,000.

For the record Mr. Truman Bodden gave notice that he wished to table a statement regarding the various Backbench proposals, and that the statement form an integral part of the Report. For clarity only, approval was granted as follows:

\$100,000 for Solid Waste Consultancy and Pension Plan;

\$350,000 for Management Systems' Consultancy for George Town Hospital, Faith Hospital and the District Clinics (but not the new proposed Hospital)."

I point that out, not the new proposed Hospital.



"Honourable D. Ezzard Miller stated he was in support of the reduction provided that the amount increased the surplus and that supplementary expenditure be considered in 1990. He gave the undertaking that he would provide the Committee with details of proposed expenditure in relation to the Management Systems before committing the funds."

We need go no further than to say that the Member had ample opportunity to come back to the Finance Committee as he was supposed to do. Why has he taken this route? Let us listen as I develop my argument.

This Motion embodies quite a bit and I would hope that you, as Presiding Officer, will let this run its due course. It is bound by a very precedent setting procedure in that Finance Committee was suspended and I hope that you, as Presiding Officer, are going to allow the debate to run concurrently with that.

I have said repeatedly, that that Member has caused the Government problems from day one. He is the cause of all the problems. I know he has the last chance to wind up. I might not even be in this parliament when he does, but I have never lied to the people of this country, even though they count me as a simpleton, people still believe McKeeva, and they know where McKeeva is coming from. I am not patting myself on the back, I am stating a fact!

If that Member was pushing for these interim projects from the beginning, as he is trying to make the people believe. If he had to take this route to go, why did not that Member come back to Finance Committee to get the funds? Why did he not bring his costing of the interim projects? Mr. President, look how ludicrous the whole thing is.

This book said that the projects would cost some \$3.6 million for renovations (I am trying to find the appropriate page, maybe the Member could help me out, seeing he knows the book so well). It is in this book that the cost would be some \$3.6 million. I cannot find the appropriate page, I have so many markers in it. I think it is appropriate that I find it because I do not want anyone to say that I am just talking. Anyway that figure is contained in this book, Interim Projects - \$3.6 million. If the Member knew all that from the beginning why did he not come back to the Finance Committee to get it? This is what we were saying, when he came to Finance Committee we said, if this is the cost, bring us your plans and so forth. We certainly supported, from the beginning, the idea of renovating certain sections of the hospital. To further support my argument on that, you can go back to the Hansard of the House and you will find in my contribution on the Budget Debate last year. I stated exactly that!

That was my position, I was not supporting the grandiose hospital which I did not feel that Conti and his henchman could convince me to spend that kind of money on. That was our position, that was absolutely clear. But the Member did not come back to us in Finance Committee. He, however, set about on a campaign from district to district to get support for the new hospital. And I am laying it out as it happened.

We also went from district to district on other issues as well, but on the matter of health we said (and we published statements to that extent it is in the records) that we supported better facilities whether a hospital as contemplated by Jim Conti's plan was one this country needed was another matter. We pointed out to the Member that he should get on with renovating for services that are needed now. He took us on a tour of the George Town Hospital to show and convince us that a new hospital was needed. We discussed with certain people there, some of them whose main thrust of discourse was that a new building was needed. I will never forget the ending of that meeting, when that tour was ended, the Member's final words were, "He hoped that we were convinced now that a new hospital was needed". My good friend, the First Elected Member for Cayman Brac, was there as well and I want to see what course of debate he is going to take. I want to see if he is going to stand by me as a colleague and tell the truth that those were the words.

Some of us recently went to talk to the supervisors at the hospital. The Governor delivered the Throne Speech on the 16th, we went there on the afternoon of the 15th. The First Elected Member for Cayman Brac was there. I questioned every single doctor there, under some duress, I might say, by certain factious in that meeting who are pushing for the hospital. I questioned every doctor there, perhaps ten of them about the plan as the Member now has. Everyone of them were concerned. They were concerned about the plan proposal, the cost and other matters. Every one of them were concerned about the duplication, the extensive, and I am quoting now, 'duplication of service'. Everyone of them pointed that out. None wanted to see the split system - the hospital of the Chief Medical Officer, Dr. Payne; everyone was concerned. One was concerned about all the money that we had in the present building. The doctors of this country, have since come out and reinforced that argument, that the hospital plan (those so-called consultants who want to fleece this country put in place for us) is not the plan for the Cayman Islands.

At this same meeting on the afternoon of the 15th, the First Elected Member for the Lesser Islands asked the Member for Health and Social Services about the same projects that he is proposing today in this resolution and whether these could not be done now. Again, I want to hear if my colleague and good friend is going to back me up on this matter. I shall never forget that Minister of Government with all his health professionals at hand and the attitude on display, and they talk about me shouting! I get hot a little under the collar, but I know when to be hot and when to be cool. The Member for Health slammed his hand down on that podium shouting, I thought that surely one of the doctors was going to call for the mental health man to come. No, I am sure the First Elected Member for the Lesser Islands well remembers that afternoon, two weeks ago now, because my good friend has some knowledge about Health Services but the Member like that. I was very proud of my good friend this afternoon, because he pressed him and pressed him and finally he gave way under the strain.

So after making a big fuss over the new 96 room hospital and a

big rush to get on with it and very little else, he has come to this stage. You are talking about politics. What has happened in this meeting? The suspension of that important Standing Order. I hope that you, Mr. President, will give me a chance in this contribution to reply to some of what you have suggested about the three Official Members. I think it is very important.

All throughout this meeting we never heard anything about this Motion. When this Motion was tabled first, the other one to by-pass Finance Committee was tabled later. The House adjourned in December. If the Member was so adamant, so involved with extensions to the hospital he would have come back at that time because we had no grouse with him except that I never supported the deal with that criminal from the United States on this whole deal. That is the crux of the matter why he did not come back to Finance Committee? Subsequent issues raised in the paper were things that gave him concern not to come back because the Auditor General of this country was questioning the whole procedure.

**MR. PRESIDENT:**

You asked the Chair to give you latitude. I will, but I have to make a point on what you just said. It comes very close to alleging improper motives to the Member by associating with a person you call a criminal. Now, that is my comment, I just want you, as I am sure you will, to observe the procedure.

**MR. W. McKEEVA BUSH:**

Mr. President, I want to assure this House that I am not charging the Member in the sense that you said. I am not charging the Member with that. I charge him with not using the proper procedure under the Financial and Stores Regulations. I say further that it would have been in the best interest of this country if the Member had not used that team of consultants.

Think of it, Mr. President. The First Member for Health ate all their breakfast and would not do any business with them. Why? Tell me why? I was not in Executive Council and I do not know if anybody knows anything about it, but I know things behind the scenes, and he would not do any business. Maybe on the collective responsibility, he will come back today, or tomorrow, or the next day, and say some reason why he did not. A laudable excuse, but he certainly would not do any business. I have to condemn this throughout the debate on this resolution. The Member for Health should have come back in December on these projects that the doctors were telling him were needed, that we were saying we were supporting. But he would not come back to Finance Committee because he said the reason he came this route, why he suspended Finance Committee, is because we should not be dictating to them. The procedure here has shown with the suspension of Finance Committee, although it will come back in a Bill, and I will get to that Bill later. That was the excuse. That was the main purpose of their mission, all of their supporters on the outside. One not too long ago stood there and told me so. He said, "We think we are smart. The Government is smarter. They are using the Three Official Members now. They do not need to come to us in Finance Committee".

Is that not the crux of the matter? It is not that we did not support this. It is not that the doctors did not support what he is trying to do. But he, in his arrogance, did not want us because he was the Government and we were the Backbenchers. We should not be telling him what to do with the Government's money or what to do with the hospital proposal. That is the crux of this matter or at least a great part of it.

But look what has happened. They, in turn, form a minority Government, through circumventing the Standing Orders, the Finance Committee has now put the majority Members in a minority position. I would think that under our small system that is serious, and I have to say this with all sincerity, that you, Sir, as Governor of this country must take that into consideration. That is a fact. They chose to get out of this position where we had the say in Finance Committee and where they were a minority, to come to the House to put us, the majority, in a minority position.

Is that democracy? It is totalitarianism. It is dictatorial. I say that with all due regard to the Standing Orders of this House. I want to say that I recognise those three Official Members. I recognise the Civil Service in this country. Who has thrown any more support (out of the four of them and myself) to that side, than me? Who again wanted to give them little or nothing and they already got a 16 per cent raise? Who is it that accosts their staff or the civil servants and tells them about going to the Civil Servants Association meeting? It was not this Member. I wonder if the Member for Health can say the same thing?

You said, and a few other Members that those three Official Members are an integral part of this House and we cannot get away from it. That is a fact. I know the Constitution. That is a fact. But one thing you, as Presiding Officer, and I am not speaking disrespectful to you, but you as Presiding Officer and as the Governor of this country and they as Executive Council cannot get around is that they were not to be part of the Finance Committee of this country. They were not to be part and parcel of voting for money or else our Standing Orders would not have said this. And I must point it out: "For the consideration of the estimates of expenditure, financial bills and other business referred to it by the House or by the Governor. It goes onto say: "The Finance Committee shall consist of the Financial Secretary as Chairman and all the Elected Members."

Mr. President, and I really want to find this out, how do you, as Governor, and how do they as Executive Council reconcile that against the fact that they have now subverted that system and come to let them use their power?

**MR. PRESIDENT:**

I do not propose to reply to you because it is a difficult question, I cannot reply to you as Governor. But I think that I should point out from the Chair, that there has been no question again of the Constitution or Standing Orders being subverted. Everything has been done properly. I feel that I can point that out from the Chair. So I am speaking as Presiding Officer.

**MR. W. McKEEVA BUSH:**  
the..

Mr. President, I appreciate your explanation and I appreciate

**MR. PRESIDENT:**

Perhaps, I could add that this does not mean that the Chair says people may not express their opinions. That is another matter.

**MR. W. McKEEVA BUSH:**

Yes, Mr. President. I appreciate your position, but it is a fact, that is what happened. They circumvented that position. The Standing Orders says, there shall consist of all Elected Members for the Appropriation Bill and Financial Bills and other related matter. That is what it says.

I do not see, in my opinion, how you all can reconcile that fact. What has happened is that they have taken that position, to put them out of the minority position that they are in. But under a proper system, and I want to come to a certain remark that was made about the London system, under a proper system this could never have happened. If a Government loses their majority, they go back to the polls. And I can never forget what the Member for Tourism said yesterday, that he wonders what is the best of the two evils? Going to the polls or living with us, I guess. That had to be the two he was dealing with. That is the simple deduction that I get from it.

What should have happened in a proper system, was for the Head of State to say, "gentlemen, go back to the people," unless by the Constitution Order here it removes the four. That is constitutional.

I have not pushed for any election. Why, the people have just returned me. I voted him into Executive Council, I expected a little more respect but I understood what happened after I put them in Executive Council. I did not want a part of Executive Council. I did not! Perhaps, I might not! I tell you, I agree with the Member for Tourism, because I can tell you this that I, as a majority position Member in this House, an Elected Member, cannot sit idly by and see my majority position taken away. Now you tell me what is right? For them in a minority, to use a procedure they should not have to take the majority position?

I hope that you as Governor, that they as the Executive Council have seen what they have done. Nobody wanted an election. I did not want any. I tried to make up with them by signing a Peace Accord. Some Peace Accord. What a gun that turned out to be. But I signed it with them, in all good faith, trying to do my best not to have an election, not to head off all these things.

The Member is over there shaking his head. This is not Franklin he is dealing with. Let him get that straight. I had 1,316 people behind me in the last Election and I dare say I could increase that amount if you, as Governor, call an Election or if they think they are man enough to challenge it, he is the one that is in trouble, he is the man here without a majority. He has the last chance to wind up and I know he can carry on his ding lings right there when the public is not seeing him or hearing him. But I am seeing him.

To get back to that Finance Committee, we cannot use the London System as an example. Why? Could you imagine 650 Member Committees? Could you imagine that? The total membership of the House of Commons, 650 Members. That is why they have the few Members that they have in the different committees, because they are so large.

We are in an unique position. That the twelve Members are Elected Members and so the framers, it is a pity that the Member for Education is not here. But he wrote that one in here. He must have thought that that was the ideal position, and sure we provide that at times or for reasonable matters the Standing Order can be suspended.

We have all suspended them. I suspended them to deal with the West Bay jetty. My colleagues suspended them to deal with the Government reply to the Public Accounts Committee. They have been suspended to allow the debate to carry on, but that is to help the procedure and the good running of the House.

When you go about taking away the right of the peoples elected representatives in a majority position, Mr. President, there is no reconciling of that. I do not care who says otherwise.

People get a chance to vote, yes.

**MR. PRESIDENT:**

I must interrupt you for a moment. There is considerable latitude, but I think you have now covered that point which was, after all, debated, yesterday.

**MR. W. McKEEVA BUSH:**

Thank you, Mr. President. I bow graciously to the Chair. I think my point has been made and I have been trying to get the point across to you, especially, Sir, as the Governor the position you have put us in, we who are the majority and I wonder and you might care to talk to me afterwards and discuss it afterwards how you are going to reconcile that fact.

As I said all this goes back quite a bit and I want to deal with that matter, because here it is. The Compass report of the Members meeting. He was asked and I quote:

"Whether there might be a referendum on the question of whether Government should build a new hospital?"

Mr. Miller pointed out there is no facility for that. What would happen instead he suggested would be new elections".

He did go on to say that he would not advocate that, because we have spent 150 years building our stability. But he added also:

"There comes a time when the decision must be made if we should cut off the foot that is troubling us rather than let the whole body die".

What is the man saying? Is he not saying that if he did not get that yesterday or he did not get the whole hospital, I do not know which. Maybe he can explain that. But it is two things now. That there would have to be an election. Did he not say that? Or did he say, I am asking him, I will give way, Mr. President. As Minister of Health, did you say that there would have to be an election? "Silence", Mr. President, means consent. The last say does not mean anything one way or the other. Here is a good chance to let it be cleared in this House what he said. I will further tie that in with the little meeting he had in North Side where he was going to resign unless the Auditor General apologised. And unless the Financial Secretary issued a statement which exonerated him, I want to read that also. He said, "He had written a letter to the Governor in which he would feel compelled to tender his resignation unless two conditions were met - that the Auditor General issue an apology acceptable to the Four Elected Members of Executive Council and that the Financial Secretary issue a statement which exonerates him and his Portfolio. This was done with great regret and disappointment in my fellow Member of Executive Council".

That is the Member of Health saying that about the Honourable Thomas Jefferson, OBE, Financial Secretary, and one who has moved up in the ranks of this country and stood his ground and is standing it and I want to tell him he stand it. He has my support. Tie that in with the other statement he made where he is going to get 11 Members by June. Mr. President, by June! Why June? I will tell you why June, Mr. President. June is the date for a new House, for a new meeting of the House, this one will end shortly so he envisioned that in that three months time there would be this Election if he did not have his way. That is the June that my good friend from Bodden Town, the Member who has resigned, the Second Member, was trying to point out.

That Member has caused this country more grief than any eight Members on this Backbench could ever do in a 100 years. I want him to reconcile all these things. The fact that he tendered his resignation with two, let me use the words he said. I do not want to misquote him. 'On two conditions', I believe I am right, 'two conditions' and then before that he said there would have to be an election if he did not get the Plan. What happened? I am not a mind reader but I would really like to know what happened that that Motion came and surprised us and in the manner it did? I would like to know.

I am not afraid of an election. You can call that any day. I would not want to see it in this country, because I do not think the public want that maybe some want it, but my feeling is that the public does not. I am ready if they do. Certainly, this position cannot continue, where the Elected Members only power in this country where they handle the finances is taken away. They can say anything about what people envisioned before. The position that might have been with the Government in a majority position. That is the way it should have been. Let us not get away from the fact that they are not. And they brought it upon themselves. I have no tears to shed. I supported them when I could. I still do. But my ties are severed as far as political support for them is concerned so.

He has no one else to blame but himself. All he would have to do, have had done was to go to the Finance Committee, get his proper costing as he said he would do, come back to us and he would have had the money. Because we saw the need. Instead of that he took it upon his shoulders to go out to the districts to try to get a majority of people to tell him yes. Go ahead with that scheme, my son, you are 100 per cent right. The other boys up there, they do not know what they are talking about. You have all the education that was ever put in their brain and Conti knows all about the hospital. So you go ahead and do that.

That is not what happened. Top team people, 16 people showed up in the Town Hall in George Town. Myself, the Member for Tourism, and the reporter made up that 16. In West Bay, he had some 25 people, some respectable people, but very one sided politically.

When I hold a meeting even in my weakest time, I had 75 and 80 people with me. Who determines the upright, who determines the honest, and the supposedly elite in a constituency? What degrees did he have to tell him that? Any person that comes to my meeting, I believe that they have sense, that is why they come to my meeting. In Bodden Town, how many did he have? Sixteen or so inside and half of them were Elected Member for Bodden Town supporters. How many people did he have in Cayman Brac? How many people did he have in East End? And he can say he was locked out, but in the heat of times when two parties or two people are having meetings in the constituency the strongest prevails as for the crowd. What happened to him in South Sound? And Mr. President, he has no support in North Side. He had very few people there. We had 60 odd when we went to North Side. Twenty five or 30 of them that I counted were solid people who have good common sense, can understand dollars and cents and know what it means to budget properly. That is the issue that we were dealing with. Not whether the country needed good health care, we knew that. We said that. But whether we could afford the expenditure that was being contemplated. So the Member for Health took a licking. A sound whipping in regards to that book there. Not only did the people reject him but the health professionals of this country have told him, "my son, you are dead wrong".

This is not what this country needs. I am more apt to take those professional views than to take his. He is only a pharmacist.

**APOLOGIES**

**MR. PRESIDENT:** We might take the break there?  
Before suspending proceedings I forgot to mention we have apologies from the Honourable Member for Education, who is absent this morning.

**ANNOUNCEMENTS BY THE PRESIDING OFFICER**

Secondly, I would like to acknowledge the presence of the Hon. James Conolly in the gallery, a distinguished Caymanian who is an Assemblyman in New York and was very helpful to our delegation to New York late last year. Very good to see him here, we hope he is enjoying his visit.  
Proceedings are suspended for 15 minutes.

**PROCEEDINGS SUSPENDED AT 11:16 A.M.****PROCEEDINGS RESUMED AT 11:38 A.M.**

**MR. PRESIDENT:** Proceedings are resumed.  
The First Elected Member for West Bay, continuing.

**MR. W. McKEEVA BUSH:** I was dealing with the route this whole scheme has come about. As I said, the Member has failed or he can not produce facts, proof, positive proof that he has the support of the entire country to do to that Plan that he has and that he wants to go spending more money on. It is very appropriate I feel given the circumstances to read what the doctors have said at the Chamber of Commerce meeting recently. And I quote:

"Speaking at a Chamber of Commerce luncheon earlier this week Dr. Wilhem Kools (who is also the Chief Surgeon at the George Town hospital) proposed instead a three prong plan of action:

They said the International Healthcare Corporation plan for the development of health facilities in Cayman is not tailored to the needs of the Cayman Islands. The three prong plan of action is;

1. To investigate improving and reorganizing the existing facilities. If this was found not be feasible, to build a new hospital facility on one site to avoid duplication. Government should employ physicians to provide 24 hour a day care but those doctors also should be allowed to treat private patients.

In addition, he said, civil servants (whose medical care at the hospital is provided free by the Government) should be allowed to see private practitioners without restricted benefits. The private sector should be allowed to provide secondary and tertiary (in-patient and specialized) care.

The IHC plan -- which has been accepted as governments health policy but denied further funding by the Finance Committee -- proposes among its eight major recommendations the construction of a new 96 bed in-patient facility, converting the present hospital to an out-patient/day surgery centre.

It also proposes placing the government hospitals under a board of management, and erasing the distinction between government and private doctors, with both groups offered practising privileges and charged on a "fee for service" basis.

Dr. Kools, along with the President of the Society, Dr. Michael Beecher, and private practitioners Dr. Steve Tomlinson and Dr. Margo Koeman, detailed the Society's objections to that plan, expanding on a previously released press statement (Compass of March 1st). Dr. Tomlinson listed priority areas: there was a need to upgrade facilities for emergency care to ensure that chances of survival in Cayman "are as good as anywhere in the world".

There should be an expansion of surgical facilities at the hospital, said Dr. Tomlinson. with better policy formulation to ensure more efficient use of beds and other services. It was common, he said, for patients over 75 to be left in hospital for extended periods when they really needed little more than custodial care. He called for public education on day surgery so patients need not occupy hospital beds."

I should add, that those are two very good recommendations. Or I feel they are anyway.

"Dr. Kools maintained there was "no direct crisis" in health care.

"The present crisis is simply and purely a crisis" of management", he said.

Lack of private accommodation and continuity of care confused the public and hid the efficiency of the care offered, leading almost one third of the population to seek health care overseas, said Dr. Kools.

It had been 'clearly unrealistic' for the IHC plan to make its projections on the basis of no competition, and the private sector had not been asked for their views, he said.

The Board of Management, he said, would 'act as a buffer for the portfolio' and it was 'inherently dangerous' to make one man (the Chief Medical Officer) responsible for entire body of doctors and therefore responsible for deciding which issues to present to the Portfolio for attention.

Little attention had been paid to health systems in other countries such as Canada and the U.K. and the option of private care were ignored, said Dr. Kools."

I should add that, I believe, Dr. Kools is the Chief Surgeon in our Government hospital.

"The Health Facilities Plan was 'little more than a discussion of the sites available for a new hospital', he said.

There was no consideration to development of the present centre as a referral hospital for the district clinic - no consideration to the private sector developing tertiary services."

That is the Chief Surgeon now speaking:

"Dr. Tomlinson said he too was concerned about the organisational officer being 'too much of a kingpin'. "Splitting sites was expensive and elaborate,".

This is what also all the doctors told me on the 15th.

"He was concerned about organising doctors in an efficient and effective way to deliver health care. Though proposals had been made on financing, no definite financial plans had been put forward, he said.

Dr. Tomlinson said he was also concerned about the issue of patient choice.

"It is very possible to have a very well equipped private facility -- but it is only possible if the private sector had the cooperation of government."

That is a fact, that is a fact, Sir. I continue to quote;

"Until now government has gone ahead and arrived at a (plan based on ) non competition," he said."

Answering questions from the Members' brother at that meeting;

"Dr. Tomlinson agreed that his plans for a private hospital had been granted outline planning permission. However,...

**HON. D. EZZARD MILLER:**

Mr. President, on a Point of Order, Sir.

**MR. W. McKEEVA BUSH:**

I am not giving way, the Member has the wind up....

**MR. PRESIDENT:**

No, I am sorry, it is a Point of Order in order to rule.

**HON. D. EZZARD MILLER:**

The Member is misleading the House, Sir. I have a tape. It was not my brother that asked that question. It was Will Peneau from the Newstar that asked the question.

**MR. PRESIDENT:**

I think we should simply take that that you were reading from the newspaper and therefore not quoting your own opinion.

**MR. W. McKEEVA BUSH:**  
brother that asked the question.

Mr. President, I did not read that. I understood that it was his

**MR. PRESIDENT:**

I beg your pardon. I thought that was a quotation.

**MR. W. McKEEVA BUSH:**

But his brother was there representing the Portfolio, I hear.

"However, he said, if government built a new hospital as envisaged, it would not be economically feasible for a private hospital to survive.

Government, he said, 'should not try to provide health care for everyone in the country'.

The panel said that they were concerned that Government's proposals on blurring distinctions between government and private physicians with government employing perhaps four doctors, would lead to lack of manpower resources for -- for example -- 24 hour care.

Government should provide basic medical services and basic facilities - the rest can be built around it", said Dr. Kools. "It needs people to operate the facility 24 hours a day, but should allow them to do private practice."

Dr. Tomlinson said the proposals had 'not been worked out properly.'

"What you need is a system of primary care physicians referring people to the hospital where you can get specialist care," he said."

That was Members of the Cayman Islands Medical Fraternity. In particular, the Chief Surgeon at our Government hospital. And also, another Government doctor, Dr. Michael Beecham. That has to have some significance. I believe, like they do, that was our contention from the beginning that this plan is nothing but little more than a discussion of the sites available for the new hospital and a few others things thrown into it and that is why we objected to the man continuing here as a consultant. He should be P.I.'d, much less here to tell us that we should spend millions of dollars.

Other professionals have looked at that plan and have advised that that is not \$20 million we are looking at. But more in the region of \$40 million because they did not allow for a lot of things like over runs and all the other problems that they could get into.

I think it is noteworthy also to read a letter from the young Caymanian Businessmans' Association. I know that the Member has very little regard for that group but I will tell you something that you might not know and what the House might not know. That the group proposed a Constitutional change which Government accepted back in 1987. It was them that pushed it. The change came about with the then First Member, now Member for Education, and the Member for Communications and Works bringing a resolution asking for that change to take place. But they were the people that pushed for it. So I am pointing that out to say that they must be people of substance. People of credibility.

They wrote a letter to the Compass saying. Let me quote in full:

"In a letter written in your November 20th issue, the Honourable Ezzard Miller Executive Member for Health and Social Services challenged the Chamber of Commerce to hire their own consultants on health care for the Cayman Islands and implement them.

It is somewhat farfetched to expect the Chamber to be able to properly fund an independent survey of the required magnitude. Moreover, we would be highly suspicious of any so called consultant who may offer their services at little or no charge because we would question the motives behind the suggestions they make.

We feel this community would be better, would be far better served by consultants who would be truly independent and given a wide brief to examine all the options for delivering health care including and encouraging as much private participation as possible. At least one Caymanian private practitioner has firm proposals and is prepared to invest in expanding health care facilities. But we are very concerned at the apparent lack of encouragement given to him by Government.

Indeed we understand his plans are now on hold because it appears that the market for hospital beds would be over provided if he proceeds with his development and the proposed Government Hospital is also built.

These consultants are to form a critical second opinion they should meet the following criteria."

1. They should be widely known in the Health Care industry, and recognised as

leaders in quality health care consultancy and Planning. They should have a track record as consultants or planners of successfully implemented Health Care systems on a national or statewide scale. They should have proven their ability to receive wide public input to consult with a broad representation of the local media, local medical public community, both public and private and to address the perceived needs .

2. They should be disinterested by a condition of contract if necessary in the possible investment or income opportunities which may arise from implementation of their proposals."

Let me say that that is one qualification that I would certainly have in any deal with that group. Because it is widely known that I feel that that group is proposing all these things to further their own interests.

- "3. To further ensure their independence status and credibility their brief and their proven ability should be broad enough to ensure they examine all the options, rather than remain limited to entrenching Government as the major provider of Health Care at any and all levels."

That is what should have been done. They should have taken every available option into consideration instead of going out there and saying to Government, "you build this large hospital, you build it". "You be the provider, consider no one else, Cayman is good, we got plenty of money". We do? We do? It seems like they think so.

4. Moreover, we feel that given our geographical location and our status as a major financial centre and tax haven there is potential for development of a health care industry. The consultants should have the ability and resources to explore such possibilities. In addition, we have a wealth of expertise available locally which should be fully exploited in examining the viability of such an industry.

Like many other Caymanians, I have already expressed, we wholeheartedly agree that our Health Care systems need improvement. However, we are very uncomfortable that the idea of Government proceeding with a huge capital investment and restructuring in such a vital segment of our infrastructure without getting a creditable second opinion.

The best doctors encourage patients to seek a second opinion before proceeding with drastic treatment. We hope our Government will accept no less for remedying the short comings in the Health Care of the people of the Cayman Islands. We are prepared to explore ways of finding and selecting consultants to meet the criteria we outlined however, we need Governments assurance that it would support such a consultancy. We look forward to a positive response,

Young Caymanians Businessman Association."

That should tell the Member that he is on the wrong track. I believe like the Chief Medical Surgeon, that these people have not done their work properly. I agree with the entire medical fraternity when they have rejected his plan, because I believe that in that group you will find much more expertise than in the Member. I believe in that group you will find much more expertise than in the Conti group.

Let me say at the meeting recently in North Side he had he said; 'that he understood that we were looking at consultants but he hoped that we had the money to pay them.' The country must understand that is the dilemma that we as Backbenchers are in. We have voted large amounts of money for him to use, but for us to get a second opinion, we have to go about trying to get a professional group to look at this hospital proposal. But that is what should be, we can not just get up and build this 96 room hospital. Who says we needed it in the first instance? Why not 85 rooms, or 60 rooms? IHC, is nothing but a vampire on the finances of this country. A good example of that is this Master Facilities Development Plan for the Faith Hospital Compound. Look at what they are charging us. Ten per cent of the total project cost but not included in that 10 per cent which the Government has to pay otherwise are things like travel, lodging and out of pocket expenses for IHC personnel in connection with the project, telephone, postage, printing costs, outside professional fees for legal services, financial and accounting services, outside technical and engineering services, even to the liability insurance that we must pay for. Any credible company would have their own insurance. These are not health care professionals. They are a group of money seekers, sucking away at the finances of this country. We go on to pay them for site security, storage, and warehousing charges for equipment and supplies purchased by the sponsor. Project rendering models, extra ordinary written interim reports, formal presentation, all that plus 10 per cent. I submit to you as Governor of this country that those people were not doing their job properly, that they were here to make a big killing and go. I submit further it is my understanding that they have big plans and this goes way back for contracting some of the services themselves. Now, ten per cent, we all know, we are not that dumb, that most credible people in this kind of business may get five per cent. Think of it, if we continue along this line of 96 rooms and the large grandiose scheme that we are looking at, Conti will a rich man, a rich man in his own



right now? No, a rich man after he gets through dealing with us. Ten per cent without taxes, that is on top, we pay for everything else.

Where are we heading? Where is the money coming from? The Government is not producing any large scale development that is going to bring in money. Everything I hear about is spending money. Where do they expect to get it from? Get it on the backs of the people, the people must pay.

Every little country in this hemisphere and I think of one close to us. It started out good but look what happened? They kept getting involved with borrowing and borrowing. Oh, we are good today. We can pay it back, we can handle it. And what happened? They have their hands tied by the International Monetary Fund and the World Bank who have told them if you want a bridge to put in your Budget, you let us know and we will take half of it from you. Who has told them the devalue your currency?

We might have it good today, but no one knows the future. That is why good managers do not over extend themselves and I dare say that is the position that we are getting into in this country, because I said Government is not producing any large development schemes where they are making an income. How much longer can we tax the banks with the Bahamas restructuring the way they do? How much longer can we tax our people? How much more are the people going to accept?

We have to be careful. I say that we should not be doing any more business with this group. It is money down the drain. Besides that, it is our information that he is not as credible as his lawyer is trying to make him out. And let us face it, would the lawyer that you pay money to in retainer fees write you a bad recommendation? They have got to be joking. We would like to be able to afford a large company that is well versed in hospital consultancy. He talks about IHC as a credible group, that they have this vast amount of expertise, could he tell us how many hospitals they built? How many they planned for, how many they consulted for? He could not, because they did not do any. He told us about the little services here or there and everywhere, that the man had been around a long time, but he could not tell us when you are talking about hospital consultants, you are looking at people who deal in hospitals. Consulting for hospitals with 550 rooms, 350 rooms, 570 beds, 180 beds, 309 beds, 578 beds, these are professional people. Those are the people with the qualifications that go way back 50, 60, or 70 years, experience in hospital consulting. Let them come here and spend a long time, spend the proper amount of money and get them. Not that two-bit company who got a special licence in a short period of time to set up IHC, with the address at Daphne Orrett's post box in West Bay, in the run of one week. We want to know that our money is well spent, that it is not keeping been paid as a kick-back to out of work politicians! I am responsible to the people of this country for monies expended. It must be done properly. Let them get proper health care consultancies and I can give them the name, they can get their name from us.

Like I said, we will put forward an alternative. The Member had months to put his forward. We have to take our time, we just can not up and say build 50 rooms too, that is what he did. We would only be compounding the problem if we gave them an answer over night. So do not talk to us about alternatives. The alternatives will come when they are properly done.

The country waited this long, up-grade what we have and let us get a proper consultant in here and do the right thing. That is what we have been saying all along. There was no need for this Motion to come. He could have done this a long time ago. But he as a political expert, he knows all the maneuvering. He can out maneuver the Backbenchers any day.

I get back to him and the course he has taken. If he had the intention in the first instance and if this thing went way back, if this is his contention that this Motion today goes way back. Why did he not bring the Bill itself to deal with these money matters?

He must have got one in a short period of time, because he read from one here yesterday. When was that put together? I understand from the Member of Education that it was put together in a days time. That is what he said in the Common Room yesterday. I have to question that. If they intended to bring the Bill in the first instance why did not he bring the Bill before the meeting starting at 10 o'clock? There were other Bills and we dealt with them. The Bill could have come, we could have dealt with it. We could have voted on the Bill and he would have had his go ahead to do what he wanted, if he had got his plans. No, he thought that he would come to this House and by having the last say, be the champion. That does make a champion. He thought that in deciding to bring this Motion, he would try to make it look like we on this side are not cooperating with him to get these renovations. That is what they wanted to put forward, that is what they wanted the people to understand. But what a farce. There is no doubt about it Mr. President. There is no doubt about it, I do not support IHC recommendations about the new hospital, I never did, I never will. Simply I do not have the faith in them, I do not have the confidence in them and the whole thing was born bad. I do not think that this country should be in business with that man. I think that they are looking to rip off this country and I believe that the whole contract is of questionable nature. I am not done with the issue yet, Mr. President. Every time we turn around, there is some contract with that group. To me proper health care is a first ingredient to proper development. Does the Member believe, that he could convince the public that none of us on this side of the House, cares whether or not we get good health care? When all of that was part of our manifestos. Does he believe that? He could never live long enough to convince the 1,316 people in West Bay that voted for me that we are so bad, that we do not care as to whether or not the country gets upgraded facilities. If that is what he is hoping for, he should close the Motion right now.

Mr. President, let me say all of us support proper and adequate medical services for all of our people. But it must be done within a frame work that is practical, realistic and something that we can afford. The hospital will come in its due time. We should have been doing all these things. We could have been on the road to it. Not here debating this Motion. He had this information, why did we not get it before and do what we needed to do?

In closing let me say, there has been many references in this

House about Government contracts. Everyone in this country knows that my business is a maintenance business. Everyone knows that my company, my maintenance company, does the Airport lawns. But that was put out to bid and I got it. Well let me say, no one needs to believe that I am getting rich off that little job. I perform a service and I get paid for it. If I happen to get business from Government in another way, I will certainly declare my interest, as is provided for in the Constitution, because I am a honest man. I want nothing free. I know that there is not such a thing as something for nothing. All my life I worked. From the time I was 13, I worked for myself and while I might not have an Oxford graduate certificate or even a high school certificate, I have that thing that some people do not have and that is good common sense and I still have my granny's wits. I do not have an Eaton education. I have integrity, honesty and ambition that is what has taken me along. No amount of telling me, telling people to tell me in kindergarten language can keep McKeeva down. What, all this time and he thinks that sort of stuff can keep me down. No it is a pity, that this sort of stuff has to come out over this, in this House. It is a pity, but reference is constantly made to it. I am proud of where I come from. I am proud that I can still hold my head up high. I started working when I was 13, tomorrow my eldest child will be 13, I grew up in Cayman my son.

I say again that all this should not have to come about this way. What they did yesterday in coming to this point is just a starter for other things. We will see it in the future and I lay the blame squarely at the feet of the Member of Executive Council for Social Services and Health. This was the route he intended to come. He intends to go further as he has proclaimed in his meeting, as I have read from the newspapers, as he has said about his 11 people in June and their men and their candidates and the time for election. If he does not get it, the health plan, there should be an election. All that combines into one thing where we are at today. But I would rather face the polls again than to have my power taken away as a Member of the Finance Committee. I support my three Official Members. Do you want to see how much I can support them? Watch what we are going to give them for a raise in contract to what the other Members had proposed. I feel strong in this matter, the three Official Members, should not have voted in that fashion. It is fundamental in our little system. That is how we are made up. That is why we are small have the system we have. They should not be voting in that instance.

If the Members of Government have the gumption to face the polls and if the Governor thought it fit to call an election (but I would rather you do that, Sir, than for them to vote in here on every matter and take away my vote) where they are voting to make up the difference. We are going right back to where we were back before the 1972 change. Because that is what happened. Going right back to it. The nominated Members, not the elected Members, the nominated Members voted.

This is not even a good political move. It is dictatorial, totalitarian. It is not good politics. They have won no battle. One Member has resigned. But we will get another champion and we will bring him back here in June to fight the good fight for the Cayman Islands.

I support this Motion. I want to reiterate, that we have always supported it. The facts bear us out. We should have not have come this far. This is not what the people of our country want. I know, I talk to our people. They do not want this wrangling and changling. But they want it cleared up, they wanted us to come to a head now. Either we do or we do not.

Mr. President, I support the Motion and I thank you.

**MR. PRESIDENT:**

First Elected Member for Bodden Town.

**MR. ROY BODDEN:**

Mr. President, many years ago (and writing under no lesser emotionally-charged times), the great Scottish pamphleteer Thomas Payne wrote, "these are the times that try men's souls". Everyday, for the last few days, the debate and the rhetoric we have heard by Members of this honourable House who are all striving for common ground is, I am suggesting, most palpable and damning evidence that a deep wound exist in our society. Unfortunately, the venom that I am going to unleash is going to be no less intense because I am still emotionally moved over what happened here yesterday. I have always had the reputation of being frank and forthright and of being a fighter. I have a job to do. I was put here by 755 respectable Bodden Town people to be their trustee and I am going to do that job and say what needs to be said, cost what it might.

Let me say at the outset that I support the Motion for improved health facilities for all our people because that is a part of what I promised them when I took up the mantle to be their representative. What I do not support is the method used the circumvention and the irreverence to achieve this objective. I know that some people can perform very well when they have the last word, that does not bother me. They like to offer quotations and misquotations, but I can tell them that my degrees were not any limited residency and mail order stuff. I got thesis by my dissertation and oral examinations, one of which lasted for four hours. I wonder if they can say as much.

The annals of developing countries, I have to say again, are rife with prestige projects that have gone sour. I recall specifically, in the medical field, two examples. The Cornwall Regional Hospital in Jamaica and one existing in San Pedro Sula, Honduras. Check them out! They were grandiose hospital schemes embarked on by well intention politicians which turned sour, left countries in debt, left partially completed institutions, left institutions which had to charge rates so expensive it deterred the very people they were supposed to have helped. What is it going to take for us to understand that sometimes it is not the scale of the project nor the vita of the consultants? It is interesting, and I have to say and remind myself sometimes the more some people speak, the deeper into trouble they get. One of the fundamental principles of pedagogy, as I was taught as a teacher, is that you make the answer to the question as simple as possible. A few days ago, in response to a question, I heard the Honourable Member for Health ramble on about the vita of the consultants and it aroused my curiosity. With the fraternity of academics being what they are, I did a little research.

It is interesting to note that the principal of IHC, I heard the word

'attend' and learned people are quick to distinguish between when you say someone attended a university from when they graduated from a university. I understand that this man attended Youngstown State University and as an academic I know there is a significant difference between attending and graduating. So I did some research and I came up with some transcripts which bears out the concern of the Backbenchers about this whole business of credibility, ethics and what have you of this consultant. Mr. Conti had recorded 105 hours with a 1.53 accumulated average, which is less than a 'D', and he is the person that is going to tell my country what path we should take when we on this side of the House, with our limited resources pursued avenues and carried out investigations saying that his plan is contrary to the need of this country at this time and that it is inordinately expensive.

I want to take up a matter which my colleague raised and which I think bears emphasis. Check it out with all of the respected firms on Wall Street right on down to lesser places, the standard rate of consultancy fees varies between five and six per cent. Those charging 10 and above are pirates!

I want to say something else. I believe that sometimes the best of our intentions go foul and what I am now saying, I want to look the Member dead in his eye, because the only person he could have run out of here, he ran yesterday. His majority, if I recall, was only by two votes. I want to challenge him because the next representative from Bodden Town that sits in this seat is going to be the representative that the Bodden Town people want and I am welcoming that person. Last night we had a most interesting meeting and we are going to see that this country gets the kind of health system that it deserves. We are going to support the honourable Member when we think he needs support, as in this case with this Motion now. This is what we have been calling for. It should have been done a long time ago. There was no need for it have to come to this. There was no need for us to have to open such a deep wound.

The last thing that I am going to say and I mean it from the bottom of my heart, like the insane potagonist Edgar Allan Poe in 'The cast of a Montalado', "I will tolerate injury but when people insist on insulting me, I, too, will vow revenge." If anyone believes that I am here to do less than my job and to keep my mouth shut and to be an extension chord, or to be intimidated by anyone who, when they rise to speak, extends their paunch and sets their foot on an attache case, let them be warned!

**MR. PRESIDENT:** I think that is an unparliamentary expression that goes beyond the bounds of even what is used in this House, please withdraw it.

**MR. ROY BODDEN:** Mr. President, I bow to your ruling and I withdraw that statement. I only want to say that I was sent here to do a job and I am going to do that job and in the process, I hope that the decisions that I take, taking them as I plan to do, with the best interest of constituents and country at heart are taken for what they are exactly, Sir. I believe I have made my point. I am saying that I support the Motion and I will support the Member anytime he brings anything, any Motion which I think worthy of my support and in the best interests of my people.

**MR. PRESIDENT:** Does any other Member wish to speak? The Third Elected Member for West Bay.

**MR. JOHN D. JEFFERSON:** Thank you, Mr. President. I rise to offer my support to Government Motion 2/90 calling for funding for George Town Hospital Facilities Improvements.

I am pleased to see that the honourable Member for Health has taken some of the suggestions that we have been putting forward since this idea of health care systems in the Cayman Islands was introduced.

Mr. President the Motion calls for:

- 1) the construction and equipping of a 12 bed surgical suite.
- 2) the conversion of the present surgical ward to an intensive care unit.
- 3) the provision of a trauma/minor operating room.
- 4) the provision of a recovery area.
- 5) the conversion of the present recovery area to an ambulatory recovery area.
- 6) necessary works to correct patient flow and other inadequacies in the present operating theatres.
- 7) the provision of proper and adequate support service areas for the operating rooms, surgical ward, and intensive care unit.

These are proposed renovations to the present hospital facility which, according to the Member, there was no use in doing anything with the present hospital because it was not functional. And the only solution was a 20 million dollar alternative hospital spaced or located over two sites.

You know it was surprising what we learned as a result of our visit to the George Town Hospital, when we went at the Members invitation, we had the opportunity of walking

around being guided by chief members of staff, pointing out the weaknesses and the problems that they had at the present facility. I have never claimed to be an expert and I do not contend to be one today. But my observation was that the facility was allowed to rundown, due to the lack of proper maintenance over the years.

It was pointed out to us that whoever designed the present hospital did not know a whole lot of what they were doing and I agree with that. I am not sure who that was. One of the things that they pointed out was that the wards, rather than having the beds down the middle, back to back, should have been located on each side of the corridor with a central corridor running through the whole facility so that they could keep an eye, at all times (from the nurses' station) on all rooms in the area.

The present difficulty, according to them, was that when the nurses or doctors are on tour in one section or on one side of the corridor they do not have a clue what is going on in the other side or are aware of emergencies or whatsoever. I can appreciate this. But you know if we had someone in the field who had the experience, the practical knowledge of what a hospital should look like, I think that that particular weakness in the system could be very easily remedied. I do not think that the solution to it is a \$20 million alternative for a new hospital. That seems to be a very expensive alternative.

We have been contending, as Backbenchers, that due to the limitations of financial resources that we have available to us that the Member should concentrate on improving and upgrading the present facility. If that has been determined to cost \$4 million, \$5 million or even \$6 million, as long as at the end of the day we had a facility that was workable we would find the financing available to have the job done. If it is determined, that that is not possible or practical or feasible economically or financially and that we need an alternative to that present facility that is by way of a new hospital, then the plan for the new hospital would have to be one that we can afford, one that is practical to our local needs and something that we could afford.

I think that the present proposal for a new hospital does not fall, in my opinion, within these two very important parameters. It is neither practical or affordable.

**MR. PRESIDENT:**  
until 2:15 P.M.

Would you like to break there? Proceedings are suspended

**PROCEEDINGS SUSPENDED AT 12:45 P.M.**

**PROCEEDINGS RESUMED AT 2:18 P.M.**

**MR. PRESIDENT:**

Proceedings are resumed.

Government Motion 2/90.

The Third Elected Member for West Bay continuing on

**MR. JOHN D. JEFFERSON:**

Mr. President, before we took the break I was commenting on the problems or weaknesses at the present hospital. I did mention that there are some structural difficulties at the hospital but I emphasised that we have tolerated these deficiencies and despite these minor problems the staff has done well to provide one of the highest qualities of health care available in this hemisphere.

Also, while on our tour it was pointed out to us that the beds in the rooms were on the wrong side of the room and that it made it very difficult for doctors when they go in to examine because in that profession, like many others, most are right handed people. It means that they have to pull out the beds and get behind it to conduct the examination from the opposite side of the bed. This seemed to be a very easily corrected problem. I still do not see where it is justified spending \$20 million to take care of issues of that nature. I do not want the Member to get the wrong impression that my support for these renovations at the present time in any way means my support for his new hospital. I can assure the people of these Islands that we are as concerned as the Member is with providing them with the highest quality of health services that can be made available. We will ensure that is done. I think the public, like us have come to the conclusion that it does not cost \$20 million to do that. What concerns me is the course of action that the Member has taken to get financing for the renovations at the hospital. I am quite sure that the Member along with every citizen of this country knows exactly where the Backbenchers stand with regard to improvements or renovations for the present hospital.

All the Member had to do was bring this request for \$1.5 million to the Finance Committee and if he had done his homework in providing us with plans for the proposed renovations and the cost of these renovations, I can assure him, he would have had no problem getting the funds that were necessary.

I feel the move to by-pass Finance Committee, in this case, was a test case by this Government to see whether or not they can get support for their grandiose schemes. In this House a minimum of eight votes are necessary for any issue that we are discussing or dealing with here to pass. I want to say publicly to the First Elected Member for the Lesser Islands that I am not surprised, but disappointed that he chose by his vote, which was the eighth vote that was necessary, to sanction this unprecedented move by Government. I feel his vote was a dereliction of his responsibilities to the people of this country. I would ask the people of his constituency to let this Member know or see the error of his ways.

The excuse the Member for Health gave for this matter to be dealt with in this manner by calling for the suspension of Standing Order 67(1) which...

**HON. D. EZZARD MILLER:**  
please.

On a Point of Order, I draw your attention to 35 Section 2,

**MR. PRESIDENT:**

I think that strictly speaking the honourable Member is correct,

the ground has already been covered. But as I did say early on we are giving considerable latitude, for various reasons at present in this debate. Continue.

**MR. JOHN D. JEFFERSON:** Thank you, Mr. President. As I was saying before I was so rudely interrupted...

**MR. PRESIDENT:** You will kindly withdraw that remark. It reflects on the ruling of the Chair.

**MR. JOHN D. JEFFERSON:** I bow to your ruling, Sir.

**MR. PRESIDENT:** Thank you.

**MR. JOHN D. JEFFERSON:** As I was saying, I do not accept the excuse that was given by the Member for Health as to the reason why he requested that Standing Order 67(1) be suspended to deal with this matter, was that the subject could be debated on the floor of this House. And that the views of Members would be heard publicly by everyone listening. I can assure the Member that I can stand on any forum, in any quarter and express my views on the proposed Health Care Systems for the Cayman Islands. So, I do not buy that argument.

There were other reasons, in my opinion, why it has been chosen to be dealt with in this manner. I can tell the Member today that he does not have my support presently and he will not get my support in future for the \$20 million he is now asking for the new hospital. I can assure you that the only people in this country who have not interpreted the circumvention of the Finance Committee as a serious move are probable the four Elected Members of Executive Council. Who is giving them their legal advice? It has been seen as a move for them to be able to burden this country with debt which we can not afford to finance their grandiose schemes.

I feel for the present Government to be allowed to railroad their plans through this House in this matter puts the majority of the peoples representatives in a serious and weakened position and it smarts, in my opinion, against the very foundation of democracy. What we have here is a minority Government attempting to remain in power by tying in the Three Official Members on their collective responsibility.

Let me add, I have the highest regard for our Three Official Members of this House. The First Official Member, the honourable Financial Secretary, I feel can stand his ground in any quarters against anyone. The Third Official Member, who also happens to be a Caymanian, is a long serving civil servant who has moved up the ladder through experience and commitment, and the Honourable Attorney General is highly regarded and respected in our community. But the Official Members of this House have a certain role and the architects of the Standing Orders saw the role that they should play and it was never intended that they would assume the role of Elected Members of this House. I heard yesterday being read where it was recommending, for example, that Finance Committee should consist maybe of the Four Elected Members of Executive Council and three other Members from the Backbench along with the Financial Secretary as Chairman. That was recommended, Mr. President. I wonder why it was not accepted? Because we have a very small Parliament - 12 Elected Members. I think the reason why it was not accepted, was that the creators in those days saw the value of having every Elected Member serving as a Member of the Finance Committee. They are elected by the people and are responsible for reporting back to the people so they should hold or control the purse strings of this country.

The direction that we are heading concerns me with regard to the hospital. I still contend that there is a major problem there. The hospital services have to be properly organised and managed. These must be created among members of staff, we have a lot of good hard working Caymanians who are employed by that hospital and I am proud of them, and the service that they are offering but much can be done to improve the attitude and service consciousness among members of staff.

The construction of a new hospital is not necessarily going to result in an improvement of service. What you will find we have a white elephant on your hands which we can not afford and the service that our people are entitled to are still not being provided.

What is interesting and we have heard a lot of dissertation here this morning. Quotes from comments by different associations, Young Businessmans Association, and others, including members of staff at the hospital who are saying that the proposed hospital is neither practical or affordable. I wonder how much more the Member needs by way of information or objections to convince him that the plan that they have or has been produced is not a workable one.

In my opinion, the sooner this Government severs all relationships with IHC, the better off we will be. If it is determined that we need consultants to advise us on health care matters in this country I would suggest that we employ some group that has the practical experience and credibility in the field to advise us and one who will take into consideration our local situation. That is what we need, not a real estate agent, as we now have through IHC, in Jim Conti.

We all support the need for proper health care services in this country. We have not once said we do not support that. But what our contention has always been and will continue to be, those services must be practical, they must be affordable and they must be what the people of this country want and need.

I can assure the Member he has my full support on his Motion calling for required renovations at the Government Hospital. I trust that we will get on once the money has been approved with dealing with and getting these necessary renovations done. So that the people of this country can continue to enjoy the quality of health care that they are entitled to.

Thank you, Sir.

**MR. PRESIDENT:**

First Elected Member for the Lesser Islands.

**CAPT. MABRY S. KIRKCONNELL:**

Thank you, Mr. President.

George Town Hospital Improvement.

I rise to support on Government Motion No. 2/90. Funds for

Much debate has been on this substantive Motion today and in the days past, even before it came to this House. It certainly addresses in my opinion a very necessary expenditure. An expenditure which we are being asked to approve in principle of \$1.5 million. The resolve section reads:

**"BE IT THEREFORE RESOLVED** that the Legislative Assembly agree in principle to the borrowing by the Governor in Council of such sums not exceeding 1.5 million dollars, as may be required for the following purposes:

- 1) The construction and equipping of a 12 bed surgical suite.
- 2) The conversion of the present surgical ward to an intensive care unit.
- 3) The provisions of a trauma/minor operating room.
- 4) The provision of a recovery area.
- 5) The conversion of the present recovery area to an ambulatory recovery area.
- 6) The necessary work to correct patient flow and other inadequacies in the present operating theatre.
- 7) The provision of proper and adequate support service areas for the operating rooms, surgical ward and intensive care unit."

As other Members have said, we were invited to tour the hospital and to meet with the management team and later, in a separate meeting, with the supervisors at the hospital. I am grateful to the honourable Member for this opportunity. It gave us a first hand view of the needs and I feel confident that not one of us can today stand and say that the seven items being asked for here are not absolutely necessary. I speak first of the construction and equipping of a twelve bed surgical suite. It was very obvious to us that the present surgical facility at the hospital is very limited. It is comprised of eight beds in an open ward. Four on one side for female, four on the other for male. This is not conducive to good health care in the event of disease or infection being transferred from one patient to another in certain types of surgery. Therefore, it is absolutely essential that this be corrected. There is sufficient property adjacent to the present operating theatres which provides adequate space to do what is required here and I think it is very important for the health of our people that this not be further delayed. The construction of this 12 bed surgical suite will, in turn, make the present surgical ward available for a proper intensive care unit. As hospital care has become more sophisticated we have had much better equipment installed in our hospital, but the physical provision has not moved with the type of equipment which we have been able to acquire. The conversion of this surgical ward into an intensive care unit will enable us to provide proper ICU care. The equipment is now there, but presently are in rooms as you enter the ward, the attendant has her back to the patients where she is now seated and the rooms are very small and not sufficient in size to take in the modern equipment necessary to treat people in an intensive type of care, as necessary.

Therefore, this would provide six beds with proper intensive care space and facilities to give what, I have been told by some of the health care professionals that in recruiting staff, is always a problem when you tell them they are coming to an intensive care unit, they consider it is an intensive care unit and you have to explain in detail that really it is sort of a special care, but it is not intensive care because we do not have that type of unit now but being the only hospital on the Island it is very essential. Not one of us here today knows when intensive care will be necessary for one of us, one of our family, or for some person within these Islands and if we can not provide it we have been neglectful in our duty.

Also, we have heard many people complaining that after planning elective surgery for a period of time, arranging for their vacations, with all arrangements made, go to the hospital to check in to be told; 'I am sorry because of an emergency operation being necessary in the operating theatre we do not have a surgical bed available. You will have to delay your elective surgery. We will reschedule you at the earliest possible convenience.' This causes considerable inconvenience to the person who has made arrangements, probably over months and months of planning. But absolutely it is no fault of anyone it is trying to give the best medical care possible with facilities that are available.

With a trauma/minor operating room this will eliminate some of this because in the cases of cesarean sections or accident victims needing surgery, this operating room can be put into operation to provide that type of operation and leave the other surgical beds open and the two main operating theatres for scheduled surgery.

It is also very important, anyone that has any health care facility knowledge knows, that the recovery area at the hospital is very limited in space and very inadequate to provide the necessary care to people in recovery. Very often complications can arise after surgery and all types of equipment has to be brought in for respiratory problems and others. The room is rather small. Therefore, the provisions for an improved recovery area will improve the service considerably.

The conversion of the present recovery area to an ambulatory recovery area, in my opinion, will open a new type of medical service to the people of Cayman. It is a very popular type of operation in the metropolitan areas where today surgeons perform operations that probably only need a matter of hours of observation after the surgery has been completed and then they can be returned to their homes. This will free up the beds at the George Town Hospital. The ambulatory recovery area will make this possible.

The necessary work to correct the patient flow and other inadequacies in the present operating theatre, Mr. President, this is where you need professional guidance. Proper patient flow in a medical facility is most important. You do not want your patient being bumped into, you do not want your nurses getting in contact with each other. You do not want sterile and non sterile equipment being contaminated with actual patient flow and the other inadequacies that could exist. This is where we need proper supervision and I am sure that this will be addressed properly and will improve the type of care which we can give and on a faster basis.

The provision of proper and adequate support service areas for the operating room, surgical ward, and intensive care unit, again these are very necessary. The consultants have addressed this very thoroughly and I feel confident that this will make major improvements to the service and the actual working staff at our hospital.

Now, it is regrettable that this debate has had to go down where I have had to be chastised like a school child by the Third Elected for West Bay. I am grateful for his remarks but I shall take an opportunity to address him.

I came to this House in 1980, so I am no Johnny come lately. I know my rights and my privileges. I take my responsibilities very seriously. I cannot be persuaded to go against my better judgement in the needs of my people. I would like to publicly inform him that I have been making decisions in this House without his advice since 1980. My constituency is made up of intelligent people. I have lived in that constituency most of my life. They know me. They do not need you to tell them to chastise me. I have lived very closely with my people. I have been a good samaritan to my people all of my life. I did not have to get into politics or into the House to try to get into the limelight. It is my concern for my people that goes way back.

I think his remarks were very unnecessary. I would not attempt to tell the people of West Bay how to treat him. But nevertheless there will be an Election in 1992 and they will have the privilege of making their decision then. But I want to say this, Mr. President, that anything I do on the floor of this honourable House I do it without fear of anyone saying that I have been pressured into a decision. I do it because I feel it is right, I feel it is necessary and anytime that I cannot do that I will not stand here to represent the constituency of Cayman Brac and Little Cayman.

We are two Islands separated from Grand Cayman. I feel it is imperative that I come here and represent the views of my people. I have discussed this situation with my people. We have a similar situation in Cayman Brac and I am grateful that the honourable Member is addressing this situation with Faith Hospital.

There are certain remarks that were made by the First Elected Member for West Bay which I would like to clear up. There is a difference with the ownership of the hospital in Cayman Brac. At the time that Faith Hospital was constructed the Government did not feel it was necessary to construct a hospital in Cayman Brac. The people of Cayman Brac secured donations and constructed the building. After it was built, an agreement was made with the Cayman Islands Government to lease it for 10 cents a year. They equipped it and staffed it. It has been a good agreement. We are proud of the way Government has developed the hospital.

After Government took over we were able to secure \$.25 million from Cayman Energy to put on an additional medical block, which included the new surgical block operating room, recovery room, kitchen and dining area. We have continued to try to help Government develop that hospital and today I serve as a trustee of the donors of that hospital, in addition to my capacity as a representative of the people of Cayman Brac.

I am proud that I have been able to serve my people for many years. I would like to make it crystal clear that in the meeting which we had in Cayman Brac with this Committee, and I want to make it very clear, I sat in that meeting as a member of that Committee representing the donors and not as a representative of the people. It was discussed with the consultant and his staff what they had to offer. The decision now is to awaited from this team whether they will extend the lease or we, I should say, will extend the lease to a period of 25 years to Government to justify the expenditure of Government revenue which will be required to make recommendations proposed by IHC. This I feel confident will be given and I look forward to the introduction of a twelve bed facility which will include surgical, geriatric and medical. The whole works. The whole thing.

The reason we need a separate block is that when our hospital was designed, it was designed by a practicing physician in the United States and was not designed for the type of medical care that we give, more in the States where a doctor simply visits patients after he has entered them there. It had no provisions for out-patient treatment. So most of the rooms that were designed for beds for in-patients had to be taken for pharmacy and treatment rooms, nurses stations and the like. That is the reason it is going to have to be a major, redesign of the floor area of the present hospital. It would be physically impossible to make those alterations and have in-patients hospitalized while that was going on.

The part that I want to clear up is the fee that has been shown in this. The fee associated with a scope of services pertaining to the execution of the Master Facility Development Plan Services for the Faith Hospital Compound, is C\$38,000. The 10 per cent fee, that was mentioned by the First Elected Member for West Bay, will not be accepted as it was decided in that meeting that the Public Works Department will do the tendering and/or the construction themselves. The management and supervision will be done under this management team and that considerable sum of money will be saved. It is not our intention that that large fee that the Member referred to will be spent.

I want to make it emphatically clear today that I support this Motion because I know I am doing what is right. I see no reason why any Member should try to bring me in here to be chastised, but my shoulders are broad enough to take it. But I say this, I shall be very alert in the future and I shall do my chastising when I feel it is necessary also.

Thank you, Mr. President.

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

Does any other Member wish to speak? In that case, the Third

**MR. TRUMAN M. BODDEN:**  
to see.

Mr. President, I support the Motion before the House. It is good

I would like to welcome into the House today our new Second Official Member, our new acting Attorney General and wish him all the best during his period here.

Moving on to the Motion. Taking advice is something that some people find very hard, sometimes, to accept. But if the Member for Health had accepted the advice given to him a long time ago there would be much better medical facilities here and a lot more people would not have had the suffering, which he claims has been going on in recent times, because we issued a joint statement which we basically said from platforms in districts that:

"We believe that the medical facilities in Grand Cayman, Cayman Brac and Little Cayman need to be improved, upgraded and or renovated. The Caymanian public deserves the best facilities that the Cayman Islands can afford.

We regard good medical services as an important National priority."

Where the difference came in was beginning here.

"We believe that the estimated cost of the proposed new hospital of \$18.5 million excluding the 18 acres of land and the renovation of the out-patient facility of \$3.6 million together with the \$2.4 million to be paid to consultants for preparing the plans for the proposed new hospital and the system is exorbitant".

What we have is really a Motion that we have no hesitation, I have no hesitation and I guess any Member in the House it appears, has any hesitation in accepting. What we see here is an approach which is detrimental to the Cayman Islands and its people because if the proper advice had been taken a long time ago we would not be here today standing debating this. Instead those facilities would probably have been built and we would have been moving on and progressing.

We have found that as protectors of the public's funds, as people who believe in accounting to the public for the money that is spent, we need to ensure that all projects are properly costed and are properly executed. Any estimates that arise and, where necessary, second opinions to those estimates, (which I will be coming to) should be given because we are trustees of the public's money and we owe them the duty not to squander it. The fact that a project is top priority does not give us the right to throw away the public's good money.

We have seen the facilities at the hospital and I will be dealing with some of the problems there in some depth. It was really an eye opener to go there and see the extent to which the premises had been run down and unfortunately so had apparently the morale of the staff.

I do not believe that you get good value for money when you totally destroy what you now have in an effort just to build something new. I think is a duty of this House and it is a good common sense practice that we should try to preserve what we have. Where possible, we should try to upgrade it but most importantly we have to live within our means. And as the Compass (I think it was in an editorial) quite rightly put it, 'the public or the Government does not have a bottomless pocket'. You can not just go out there and expect to do everything overnight without counting the cost.

What worries me, not just now but I lived for many years in Government, where we had to stay within what is called the 10 per cent rule but a different 10 per cent rule in economics than perhaps was talked about earlier. It is a rule by which the recurrent expenditure of this country should not have to carry debt and repayment that exceeds 10 per cent of it. When we get beyond that stage we get into the stage that the Member for Bodden Town has referred to, where you begin to owe your life to the IMF or the World Bank and, in effect, your life really ceases to be yours from an economic point of view. So that a very heavy burden must rest on all of us to see that what we are doing is within our means, because if it is not, we are going to financially sink, generations to come. That, I believe, needs to be put on them with the many other problems that they are going to have to face at this time and in the future years to come.

This \$1.5 million is an affordable amount but, I believe though I



do not have any specific figures on it, when we get into the borrowing into the \$20 millions along with the probably \$23 million to \$28 million that we now owe, then we are hitting, I would think when that all comes due for repayment, that 10 per cent mark. And I would rather, in my conservative way, work this nearer to the nine per cent mark of the recurrent revenue for servicing debt, because we never know when we are going to have something like a hurricane or some other problem where we do need to borrow at short notice and may have used up all of our available money.

It is very important that the good advice the First Official Member has set out in his many Budgets is followed, and that when we come here to deal with projects we deal with something that is not exorbitant, something that is affordable, something that we can pay back and most importantly, we deal with the type of financing that is not going to financially kill our people.

Somebody has to pay for this money. You borrow it, you spend it, then the public have to pay it back. While we do not have figures on this, I think it is 'pie in the sky' too, and, perhaps, economic nonsense the talk about financing and having a system of medical health care that is self financing. Somebody has to pay for it. It is the bottom line that counts. It is no good having the best facilities in the world if you cannot afford to use them.

If you are going to say that the insurance (which I would like to deal with in some depth a bit further on) is really the answer to these extensions and the financing of it, somebody has to pay the insurance premiums and I believe the insurance companies do not take a loss so you have to pay the equivalent of what the medical is costing you, together with the insurance companies profit. So while that may well be the way to go, I do not know.

What I am really saying is that somebody has to pay the money and those people are going to be the public and the public is who we have to answer. They have put us in here and we have to account to them. As protectors of the public's funds we have a duty to see that their burden is not unbearable.

That is why it is very important that the Financial guideline that has been laid down, so very clearly, in the Financial and Stores Regulations 1986, that the Member has agreed now to follow, should be followed very carefully. Regardless of whether or not Executive Council is bound by these guidelines, they are sound economic principles. It makes for good sense, good economic sense to follow them. The reasoning set out, and I will not spend a lot of time reading this, in relation to tenders where it says:

"The principle governing the purchase of goods, works and services for government departments and offices is that they must be acquired by the most economical means commensurate with quality and efficiency so as to obtain the maximum value for the public's money expended."

That is undoubtedly the best short synopsis of why these rules should be followed and should be followed strictly.

Another reference refers that tenders of over \$100,000 should go to the Central Tenders Committee and under \$100,000 to a Departmental Tenders Committee. The reason for that is once again clearly set out, I am just reading on:

"Moreover goods, works and services must be obtained openly and competitively" (two very important words) "openly and competitively so that not only do all potential suppliers of the goods, works and services have an equal opportunity to bid for public contracts, but the award of such contracts is seen by the community at large to be fair and equitable."

**MR. PRESIDENT:** Excuse me a minute. I did say earlier that we are having considerable latitude, but I am not quite sure what that last passage in your speech has to do with the Motion.

**MR. TRUMAN M. BODDEN:** Mr. President, the Member in opening this has stood up and said that he is going to comply with these Regulations. What I am saying is, I fully endorse that and I am elaborating on it to say why it is good practice to follow these, Sir. I think it is an integral part.

**MR. PRESIDENT:** That is fine, I think it is repetition but fine.

**MR. TRUMAN M. BODDEN:** Yes, Sir, I do not have much longer left on it, but I think it is important to ....

**MR. PRESIDENT:** It is all right, I have said it is fine. How long, we are near the tea break, would you like a break?

**MR. TRUMAN M. BODDEN:** I could break here, Sir. That would be good.

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

**PROCEEDINGS SUSPENDED AT 3:15 P.M.**

## PROCEEDINGS RESUMED AT 3:43 P.M.

**MR. PRESIDENT:**

Proceedings are resumed.  
The Third Elected Member for George Town, continuing.

**MR. TRUMAN M. BODDEN:**

Mr. President, I was just finishing up on dealing with the importance of whatever contracts that go under this \$1.5 million and indeed all contracts that the Member for Health may put out. That they go in accordance with Public Tenders and I have a little joke here in that the book, which the Member has adopted and he calls the 'Book of Ezzard', last thing I am going to say on the Blue Book, which is the Financial and Stores Regulations 1986, that that is probably the 'Book Against Ezzard'.

I will now deal with one aspect which is correlated to this but which has been dealt with in some depth by the Members. It is very important that when we see particulars coming back to this House of the details of these different areas of improvements at the hospital, that we are assured that the contracts are not what I would term as open ended contracts. It is very important that they have a fixed priced, because we have seen where one can believe that one is appropriating \$1.5 million. I do not know what the cost of these renovations will be, neither does the Member, it seems.

It is interesting that originally and presumedly it included a lot more than this, the renovation of the out-patients was estimated at \$3.6 million by the IHC. What worries me as a protector of the people's money is that we do not have open ended contracts as we have seen the three that were answered in a question here recently where the contracts themselves paid to IHC were some \$250,000, but the over runs or the amounts over and above that which seem to have no fixed ceiling were very substantial sums. We had air transportation of some \$21,000, per diem of some \$19,000. There was ground transportation, telephone, miscellaneous, accommodation, even printing was in it. What is very important is that this contract, and I guess all contracts, Government should ensure that they are tied very tightly. These clauses where people are left to spend and use public funds where there appear to be no specific limits on it, can cause considerable problems especially where the Government at times does not have a majority. It is one thing when you can be assured of the financial support. I will deal with that a bit further down. But in any event, I think it is wrong, I think it is totally wrong if we are going to do a contract, they have to be kept within fixed price limits. And that is another of the clear economic policies that seem to be laid down in the Blue Book.

Another area I have some concern with and which I will hope that there will be no considerable delays with moving on, in any event, this Motion is going to create a delay which, since the Member knew we were obviously supporting this and could have been shortened considerably, is the fact that originally when these matters were raised, of doing the upgrading of the present medical facilities, the Member took very strong objection to having this go on and severing it from the new hospital project.

To be frank I was at a meeting at the hospital with the supervisors, the Member and the Principle Secretary and some of the other Members of this Honourable House. The First Elected Member for the Lesser Islands put this very clearly to him in an effort to help, he said; 'Why not sever and go on with doing the up-grading of the hospital and leave dealing with the building of the new hospital until a later date?'

The Member for Health just about put me in shock when his hand hit the podium and he resounded anew. I thought, you know, here you have somebody trying to help you, and you get that sort of response because I was not quite looking at him at the time and I am sure it must have shocked the Member for the Lesser Islands and perhaps some of the staff there. That is once again a harsh reality that it is not all of the time that we can get all that we want and when we want it. When there is help and advice offered, as we will see the medical and dental has offered, so have private practitioners then we should have the good common sense to accept it because I am afraid perfection is not something that the human race is very apt to be fully endowed with.

The severing of this upgrading of the hospital is one that has been recommended by doctors. It has been recommended by us. I believe that Members of the public have recommended it and it seems to me that it is really sad that we are just coming, at this stage, to a substantive Motion, which the only one I guess it is to convince is the Member for Health. Everybody else seems convinced that the public has been made to suffer through these improvements not moving on at an earlier stage. The staff have also suffered has a result.

The position of the way, for example, that the Member plays with figures I notice, for example, that at present he is adding some 12 surgical or providing a 12 bed surgical suite. It seems that these numbers of beds keep jumping around. One time we need a total of 16, the next time we are adding 12 to the 8 to bring it up to 20. It just strikes me that if he regarded the two separate buildings that I built when I was in the Government at the hospital as not following any plan, I wonder really what plan he is following? In fact, we will see as we analyse his plan relating to this that really he has no plan. It is a large book of statistics mainly supplied by the Government that we have for hundreds of thousands dollars.

One other aspect of the money and the accountability of it is that contracts, especially for sums like this, should never go to a middle man type of firm. Now, as I understand it, the Member for Health should be quite capable of contacting specialists direct, he or his Principle Secretary. When you have sliced into these contracts a middle man who is merely going out and looking for experts himself, then you are paying the profit to the middle man, you are paying the profit to the experts, and the unfortunate situation is that you are paying double profit.

I think that the Young Caymanian Businessman's Association, which I would like to read a part of that letter in due course, have made it very clear that it is important that whatever firm we have advising us on these large sums of money are themselves the experts and that we are not

really looking for a finder firm perhaps is better. That finders fee can be a substantial amount of money.

I note that the First Elected Member for the Lesser Islands has, very wisely, apparently done away with the 10 per cent fee on the contracts there, and quite rightly. I do not mind. I think it is good to pay a reasonable fee for professional advice, but when you are paying it then just make sure that you are getting professionals for it. It appears that IHC, who got the previous contracts in relation to this by not going to competitive bid but through private single negotiation, are really in a position where they can command and fix a fee without the element of competition and then the public is going to be paying a lot more.

I know from what I was told at the briefing in December, at the Government Administration Building in the Executive Council room, from what I can remember there I think something like two out of the four of the experts that spoke to us had been employed or brought into the firm for advice on that matter. If the Member, and he does have his qualification in pharmacy, he should be quite capable of figuring out who are good architects in the medical field, who are the large and reputable suppliers of medical equipment and save as they have done in Cayman Brac this 10 per cent and the other percentages that he has been paying out.

I want now to make it very clear that while I accept this Motion which is an in principle Motion and it has to be that way, because despite all the homework that the Member for Health claims he is now doing he still has a considerable amount to do to satisfy us as to whether what is being proposed here whether the details of it are correct.

For example we have had the increase in beds on the surgical suite where we will now be looking at 20 beds from the eight and in the paragraph numbered five he has mentioned the conversion of the present recovery area to an ambulatory recovery area. That is one that I would want naturally to see a considerable amount of detail on it.

The in principal approval on these general principles on the Motion, because that is all they really are, do not cause me any concern and as I said earlier these are things we accepted a very long time ago. The area that I would like to now move onto is one in which there has been the element of blaming and I know I labeled the previous Government as a blaming Government, but it seems as if this one has similar traits to the last. Whenever there is a problem, they have to blame somebody and it is never themselves. So I am now blamed for the fact that the predecessor to the Member for Health who is now the Member for Education, during his four years did not follow his plan. It was his plan in 1976, and why the present Member for Health did not follow the previous Member for Health plan, I do find that to be not just confusing, but very amusing. What I find very interesting is a statement, I am reading from the Newstar January 1990 at page 62 where the Member for Health had this to say:

"Said Miller, 'We are in a crisis situation and are five or six years behind because one administration would not follow a plan and put buildings all over the compound.'"

The very important part of this is we are in a crisis situation, we are five or six years behind. I fully agree with him. I left five or six years ago, and when I left the hospital was in good shape. The morale of the staff was in good shape. They pulled together as a team and this is to me a very clear confirmation that the problem and as I will show from the statistics in one of the two books did arise since 1984. The statistics, the comparison actually goes back to 1983. So these seven points that he is making here now can not be put on my shoulders, because by his own statement he has admitted that they are five or six years behind.

There were only two buildings of any size that were put separate. There were not buildings put all over the compound, but let me say this, at least I kept up with the demand. I knew how to get roofs fixed, I knew what was needed in many areas and I did it.

The Newstar and the Member has stated several of the areas where these problems have arisen and which he and his team have gone to the press. They have gone to every district in the islands and they have basically with their mouth destroyed what was left of the medical facilities. And they have destroyed with it unfortunately (and this hurts me), a lot of the morale of the staff.

Believe me, no matter how good the building is, golden or not, if you do not have staff within it that are pulling together as a team, believing in what they are doing and are not seriously affected by someone who should be lifting them rather than putting them down then you are going to have problems.

One of these quotations that I want to begin with where it is quoted in Newstar, once again of January 1990,

"That the George Town Hospital is a MASH (Mobile Army Surgical Hospital Unit) without the green tents. That is what this is,' said Doctor Payne."

If anyone has 'mashed' things up, it has been since my time and that is why we have the problems now. I do not want to go through all of these, but I want to suggest that with what we are now coming to this House to (and the money to do it do), could have been done many years ago and saved the public the agony that the Member claims they are now in.

There is a statement here that over 36,000 medical files are crammed into a 20 by 20 foot room used for patient registration. So what? Why has someone not added another 20 by 20 on in the last four or five years? We get references to things like; at the main nurses station of the 22 bed general ward, termites are eating away at the wooden cabinet. So What? Why does somebody not do something? It must be a simple matter to replace the wood, kill the termites. I mean these, seem to me, to be a matter of totally

running down the hospital. We have other instances the big one that is used. That is pushed all around the place:

"What he considers", (I am reading here), "the most serious dysfunction of the hospital if infection control which results from inadequate air compressors being unable to push unclean air out of the surgical ward."

That, Mr. President, is fixable. The Member or I am sure the Member prior to this wanted some new air compressors, they have probably been there from my day. Like everything else I guess they wear out, then put in proper air compressors to deal with it. I mean it is no good saying there are all these little things I think as the Member is doing now, which I support him on. Let us deal with these.

The statistics in his book will also dealt with this surgical ward which is number one on his Motion. I agree, it is important that something be done. We have the criticism of a dialysis machine which has outlived its life expectancy. These machines new cost about \$15,500, let us buy a new machine. In any event I heard that these have now been properly repaired we were told by the CMO or the CNO at the meeting.

The other aspect of it is relating to the laundry side. There is a statement here, I do not know who he is referring to, but I guess it does not really matter. I think it was the Chief Medical Officer where he said: "... There is no air conditioning for the staff and with the dryers running in the summer temperatures can reach 125 degrees". What they need is an air conditioner. It seems to me that there is an accumulation of minor things which could have been repaired. Instead nothing seems to have been done in relation to this.

I would like to deal with some of the statistics, especially relating to the surgery side which seems to be one of the crucial areas. These are found in the hospital plan book. These statistics range from 1983 to 1988 (and for brevity I will be just dealing with the increases in these areas). It seems that the total beds used have gone up by 16 per cent. The total hospital discharges between 1983 and 1988, have increased from 2,251 to 3,163 and let me say this here. These statistics seem to be lacking a most important factor. It is not the number of beds used, it is how long the beds have been used and it is the one statistic that I do not see in this Table 6, paragraph 3 of the Hospital Plan Delivery System Plan. So we have a 40 per cent increase in discharges.

The ancillary occasions service have moved up from 92,000 to 190,000 or 107 per cent. Major surgeries have moved up from 304 to 480 between 1983 and 1988 or 57 per cent. Minor surgeries have moved from 319 in 1983 to 635 in 1988 or 99 per cent. The out-patient clinic and casualty visits from 24,947 in 1983 to 40,585 in 1988 or 62 per cent.

Similarly the district dental clinic visits have increased by 60 per cent and the dental clinics visits by 116 per cent. So it is a clear indicator that in the last five years we have had a very large increase in the use of the present facilities. This is an accepted fact. I do not profess to know every page in this large book because I found a lot of it irrelevant and skipped over it, but was how long were the beds occupied? That may well have revealed perhaps a higher percentage than the 16 per cent increase in beds which seems to me somewhat low.

Now, I can well agree with the statements made about the surgical side of this. It is obvious that eight beds in the surgery are not enough. However, when they were built back some 10 years ago, at that stage they were adequate. The point that these statistics clearly bring out (and I must say this Health Plan compiled a lot of statistics, not all of them relevant), that if we have such a large increase in major surgery, then naturally the number of beds would increase. At the time that it was done and for sometime after, because the crisis according to the Member for Health began five or six years ago, the beds were quite adequate then.

It was hard to foresee and if we had known that the population of this country would have grown to this extent, I would have said, "I do not think it can." So there is that aspect of this as well. The facilities which were left when I was in Government met almost every area and were sufficient at that time to cope with the vastly reduced amount of work carried out at the hospital at that time. The criticism (and let me say this), I left very general medical policies which are similar to a plan in place but if the Members did not wish to follow them I was not going to stagnate and stop the hospital being repaired or being extended or whatever for some six years. I mean that would not in any way be any excuse for me not to carry out my full duty to the public and get on with developing it. I would hope that it has not taken six years or five and one-half now, I should say for them to think about this new hospital and still some five and one-half years later, they are not prepared and they still have not got on with their homework. And really are not in the position to give us detailed costs relating to the 1.5 million resolution that is before the House at present.

I have five items to deal with in this area and I would like to reinforce what the Member for Health said, "we are in a crisis situation and we are five or six years behind. One of his staff were quoted as saying that:

"In her ten years as a physiotherapist, five of them at the hospital, Issac said she has seen nothing positive to upgrade the facility".

That supports very clearly the gap that has existed for sometime at the hospital. It is very striking because while I had been at the hospital in a private capacity many times, it was interesting to go there and look around and actually see the problems that existed when I left some five or six years ago. I actually mentioned to either the

Member for Health or the Member for Education, I can not remember now, if one of them would show me which building they had built on (in the previous Government or under this Government) because they all appeared to be the same as I had left them.

Let me say this and this goes back to economics again. Some of those buildings are in good shape from what I could see structurally, they appeared to be in good shape. Buildings such as the kitchen and the Pink Ladies area and the conference room. In fact that building itself which I think we paid under \$700,000 for (a full election was run on that, criticizing it). It was very interesting to see the two Members past and the present sitting there enjoying the conference rooms that they said would remain idle forever and ever. Buildings such as that I think have to be worked in to the plans, because there are some four or five thousand square feet of building should alone that can be utilized for something. Even areas of it which I understand from this article the laundry should be double its size, and it needs another door which I believe Public Works is quite capable of doing if they are requested.

I have no concern that during the period that I was in there, I did everything I could within the means that we had to keep the hospital functional, to keep the staff happy and to keep them together as a team.

I believe and I will develop this further down that a problem that has arisen and hopefully will not arise in relation to this \$1.5 million is that the staff at the hospital, the doctors and the medical staff on the private side have not been involved. It seems to me as we walked around there and sat in the meeting that there were areas of the plan that the staff totally rejected. I want to deal with that in a later stage because as has been said by the Member and by other people the hospital is not just bricks and mortar but it depends on the staff. Those staff have to be treated much better I would think than the buildings are treated to keep this functional and to keep the high standard which the hospital does have. The hospital being run down to me is one side, but the standard of service coming out of there is still very high and that is why (I know we are getting near the time), in the statement we issued supporting this Motion in paragraph (8), we said as Backbenchers we call upon the Member for Health to stop his negative campaign which hurts the stability of the Cayman Islands and the present medical facilities and tends to lower the morale of his medical staff and to take a positive and responsible approach to upgrading and improving the medical facilities at a reasonable and affordable cost. I was finished in that area.

### **MOTION FOR THE ADJOURNMENT**

**HON. THOMAS C. JEFFERSON:** Mr. President, I move the adjournment of this honourable House until 10 o'clock, Monday morning, the 5th of March.

**MR. PRESIDENT:** Question is that the House will stand adjourned until 10 o'clock, Monday the 5th of March.

**AYES.**

**MR. PRESIDENT:** The House is accordingly adjourned.

**AT 4:30 P.M. THE HOUSE STOOD ADJOURNED UNTIL 10 O'CLOCK, MONDAY, 5TH MARCH, 1990.**



**MONDAY  
5TH MARCH, 1990  
10:08 A.M.**

**MR. PRESIDENT:** Prayers by the First Elected Member for Bodden Town.

**PRAYERS**

**MR. ROY BODDEN:**

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.

**APOLOGY**

**MR. PRESIDENT:**

Proceedings of the Assembly are resumed.

We have an apology from the First Elected Member for West Bay who is absent on Commonwealth Parliamentary Association business.

Item 2 of the Order Paper is Government Business.

Continuation of the debate on Government Motion No. 2/90. The Third Elected Member for George Town, continuing.

**GOVERNMENT BUSINESS**

**GOVERNMENT MOTION NO. 2/90  
FUNDING FOR GEORGE TOWN HOSPITAL  
FACILITIES IMPROVEMENTS**

**MR. TRUMAN M. BODDEN:**

I would now like to move on to deal with the International Health Care Cooperation Health Care Plan, which is now the Government's plan as it has been accepted by Executive Council. Since that includes these renovations I would like to deal with the general principles of it.

What is obvious with this Plan is (it seems that the only people who have accepted it in this country are the four Members of Executive Council) in the newspaper of Friday the 2nd of March, 1990, the Medical and the Dental Society which includes doctors and dentists, and nurses clearly rejected and seriously criticised areas of it. Further, I would like to read from the Caymanian Businessmen's Association, who have once again given a warning which I believe the Member for Health should heed. I would like to read just for a few minutes this criticism because I believe that it is crucial to the quality of this Plan which I say is not a plan and which the people who are in the private sector says is not a plan and which, in fact, the Government and staff have also criticised major areas of it. Not just areas of minor detail, but real major areas of this plan have not been accepted and this really has resulted once again, from the way in which the Plan had been dealt with.

Instead of going to the public the medical staff at the hospital, the private practitioners through the Medical and Dental Society and asking "Let me have your views, let me have your input" and putting them to the Committee dealing with this and get the overall view of the people of the Cayman Islands but especially of the medical profession and the medical staff, as the Caymanian Compass has said they are doing things in reverse.

When they hit a problem they now come back and ask the public and the doctors to ratify what they have. That is not the way to go. The *Caymanian Compass* of Friday the 2nd of March, 1990, at page 1 which is headed: "Doctors Criticise Health Plan". It says:

"The International Health Care Corporation plan for the development of Health

Facilities in Cayman is not tailored to the needs of the Cayman Islands the secretary of the Cayman Islands Medical and Dental Society has said."

Interjecting here, that is a very important principle because the plan must be a plan not just pulled off the shelf from whatever software one picks up for computers and pushed on the Cayman Islands. It must be one which is tailored to the needs of the Cayman Islands. You can buy this software for a few hundred dollars a piece, most of it. But here the criticism of the Medical and Dental Society, which is the professional body dealing with the health care in the Cayman Islands have said the plan is not tailored for the Cayman Islands. I go on to read:

"Speaking at a Chamber of Commerce luncheon earlier this week, Dr. Willem Kool (who is also the Chief Surgeon at the George Town hospital) proposed instead a three prong plan of action: Firstly to investigate improving and reorganising the existing facilities".

Which is where we are now. Why was this not done long ago, a year or nine months ago? Instead we have had a campaign to destroy rather than improve the present facilities.

I would like to say that I hope that will be carried out. Since the medical staff have been in public meetings, meetings with ourselves and meetings from time to time with the press, that there are not going to be any reprisals in relation to them.

Once it is opened up and you allow people to speak their mind then I think you have to abide by the decision that they make. I want to make that abundantly clear that since we were allowed into a meeting, as all legislatures gather with a large number of staff, a lot of them spoke their mind gave their views professionally there is going to be nothing that affects or hurts them because what they said may not necessarily have been what the Member for Health would have like to have heard.

Going on reading he said:

"If this was found not be feasible to build a new hospital facility on one site to avoid duplication. Government should employ physicians to provide 24 hour a day care but those doctors also should not be allowed to treat private patients.

In addition, he said, civil servants (whose medical care at the hospital is provided free by the Government) should be allowed to see private practitioners without restricted benefits. The private sector should be allowed to provide secondary and tertiary practice (in-patient and specialised) care.

The IHC plan -- which has been accepted as governments health policy but denied further funding by the Finance Committee --".

I am reading on now from this article in the Compass.

"proposes, among its eight major recommendations, the construction of a new 96 bed in-patient facility, converting the present hospital to an out-patient/day surgery centre."

It goes on to deal with another paragraph there, that says:

"It also proposes placing the government hospitals under a board of management, and erasing the distinction between government and private doctors, with both groups offered practising privileges and charged on a "fee for service" basis.

Dr. Kools, along with the President of the Society Dr. Michael Beecher, and private practitioners Dr. Steve Tomlinson and Dr. Margo Koeman, detailed the Society's objections to that plan, expanding on a previously released press statement". (Compass of March 1st).

Dr. Tomlinson listed priority areas: there was a need to upgrade facilities for emergency care to ensure that chances of survival in Cayman "are as good as anywhere in the world."

That now, not reading from there, confirms what the eight Backbenchers have been saying now for a long time and what we are just today coming to with the Motion.

Going onto read:

"There should be an expansion of surgical facilities at the hospital," said Dr. Tomlinson, "with better policy formulation to ensure more efficient use of beds and other services. It was common," he said, "for patients over 75 to be left in hospital for extended periods when they really needed little more than custodial care." He called for public education on day surgery so patients need not occupy hospital



beds.

Dr. Kools maintained there was "no direct crisis" in health care. "The present crisis is simply and purely a crisis of management", he said.

That to me is second very important statement in here. And we know that it is a crisis of management along with other things, because we approved some \$350,000 in the agreed Budget last year to deal with the upgrading of systems at the hospital which would have gone a long way to take this management crisis out of the situation.

But so far, nothing has been done. The money has not been drawn on. The Member has not come back to the Finance Committee for these funds and money is sitting there to upgrade the systems which would help with one of the areas of this crisis management. And I would hope that when this (which I will refer to and show later on), political Motion has been dealt with and we get the calm after this Legislature that the Member will try to get on to deal with the existing problems which is what his Motion is now dealing with. But more from the physical side of it. That statement which comes from someone who should know, I think it is obvious to me an area that must be substantially cleared up before we concentrate only on the physical facilities.

I go on reading:

"Lack of private accommodation and continuity of care confused the public and hid the efficiency of the care offered, leading almost one third of the population to seek health care overseas," said Dr. Kools.

"It had been 'clearly unrealistic' for the IHC plan to make its projections on the basis of no competition, and the private sector had not been asked for their views," he said."

I would like to concentrate later on the alternative to a Government only hospital in these Islands.

Going on to read:

"The Board of Management," he said, "would act as a buffer for the portfolio and it was inherently dangerous to make one man (the Chief Medical Officer) responsible for entire body of doctors and therefore responsible for deciding which issues to present to the Portfolio for attention."

I could not agree more. If we are going to have a board, then it must be an effective board. I do not know and I questioned and I would like to see the details of how that Board is going to function. I would like to see it functioning for a while with some flexibility in the Portfolio of whatever happens for adjustments because too many times the Government decisions seem totally inflexible. Once they are done they are carved in stone. Nobody wants to touch it from the Government side.

Going on to read:

"Little attention had been paid to health systems in other countries such as Canada and the U.K. and the option of private case were ignored," said Dr. Kools.

"The Health Facilities Plan was little more than a discussion of the sites available for a new hospital," he said."

That is about the fourth major statement in here and I will deal with what is a plan and what is not a plan in due course. But I agree fully with that statement. What we have here is an accumulation and collating of information which must have been supplied by the Member himself, anyhow, or his Portfolio. It is all Government information and anybody can take and put it into a book rather than paying \$120,000 or whatever has been paid for the printing of the book and putting it together.

Going onto read:

"There was no consideration to development of the present centre as a referral hospital for the district clinic - no consideration to the private sector developing tertiary services.

Dr. Tomlinson said;" He too was concerned about the organisational officer being too much of a kingpin."

That is very important because if there is going to be a Committee and we know what political king-pins, the disaster they can reek in a country, then we do not need to have that in a profession.

Going on to read:

"Splitting sites was expensive and elaborate. He was concerned about organising doctors in an efficient and effective way to deliver health care.

"Though proposals had been made on financing, no definite financial plans had been put forward," he said.

Dr. Tomlinson said, "He was also concerned about the issue of patient choice. It is very possible to have a very well equipped private facility, but it is only possible if the private sector had the co-operation of government. Until now, that has not been forthcoming, government has gone ahead and arrived at a plan based on non competition," he said.

Answering questions Dr. Tomlinson agreed that his plans for a private hospital had been granted outline planning permission.

"However," he said, "if government built a new hospital as envisaged, it would not be economically feasible for a private hospital to survive. Government," he said, "should not try to provide health care for everyone in the country".

I agree with him fully on that statement, Sir.

Going onto read;

"The panel said that they were concerned that Government's proposals on blurring distinctions between government and employing perhaps four doctors, would lead to lack of manpower resources for -- for example -- 24 hour care.

"Government should provide basic medical services and basic facilities - the rest can be built around it", said Dr. Kools. "It needs people to operate the facility 24 hours a day, but should allow them to do private practice."

Dr. Tomlinson said the proposals had not been worked out properly.

"What you need is a system of primary care physicians referring people to the hospital where you can get specialist care," he said."

that is the end of the article.

I would now like to deal with what the latter part of that dealt with in some detail, which is the private medical care.

In every society, especially in a democracy, competition is critical to the continuing of democracy. I believe that purely on the principle that anything can be done in the private sector the Government has no business getting into. That is once again, a principle that has stood up in the western world for years.

Countries that have tried to inject the Government, as we have seen in the best of countries, the United Kingdom, Canada, the United States, where government had gone too far into private enterprise, it has been a disaster.

In the last decade the move has been to reverse this and to go to the full private enterprise competitive system. As you so rightly said about the deterioration of the eastern block countries and their movement towards the western worlds democratic way of life, that is the best example that we have been following for the last century or so. A system that works.

The private doctors, the private physicians, private enterprise should be given every opportunity in the world to put together such as they can in medical facilities. This is going to save the Government money. It is going to give an alternative and a competitive edge and we are going to see the standards at the hospital rise as against what it is now because there is going to be competition between the private medical facilities and the Government.

I believe that the best example of that is to look at the system of schools where the private schools run side by side with the Government schools. I believe that example has raised the standard of education in this country considerably and it will keep it up because the day you have Government falling down they are going to look bad as against the private sector.

However, for a private hospital or private medical facilities to survive is important, in fact, it is totally necessary for the Government to communicate first with the private doctors who are interested in this. They give their assurance and undertaking that the government then is not going to come about and put a surplus of medical facilities in the Cayman Islands because if the International Healthcare Plan which the Member and the Government has accepted, if that comes about it is based on non-competition. And it therefore destroys the very fragment of private enterprise.

I would like to see what I believe is good for the Cayman Islands. The Government must sit down with the private doctors, in fact they should have sat down with the full medical society a long time ago and they must come up with a plan which takes into consideration the private medical facilities the ones we now have, the ones that can be built in the future and they must give a legally binding

undertaking that if the private hospital or private medical facilities go on that Government it is not going to waste the public's funds and duplicate it and make an attempt to put them out of business.

While the competitive side as I said earlier (and there is no conflict between what I have said as a principle and what I am saying now) if we can get 20 or 30 of the beds that are needed or if we can get an upgrading on the speciality side with hospitals here, then there must be co-operation with Government not to take and totally duplicate this.

If the Member, I would say the full Executive Council, could sit and try to negotiate with and give the undertakings necessary to private enterprise that that part of the Health Plan will not be pursued to overlap with whatever is being done in the private sector that Government and the people can be saved a lot of money and the standard of Health Care will be better.

I at some stage would be good if the Government stated that they are prepared to sit and work out what part of this 96-bed hospital and what part of the facilities can be dealt with in the private sector and move ahead hand in hand and that has got to make for better facilities overall. It has got to save a lot of this \$20 million plus that was going to be spent. Mr. Conti will not be happy and it probably will not make any other consultant happy, but it is in the interest of the country.

Another aspect of the Health Plan that I would like to deal with and it is for this reason that I have asked and have received, I must say the Member was quite responsive in the respect, the understanding that we are going to see details of the seven areas that this \$1.5 million is going to cover in the upgrading of the present facilities.

I believe that with the rejection of the IHC plan, or I should say, of our Government's Medical Plan for the Islands that it is extremely important that we have a second opinion on this. Now at a later stage I would like to read very quickly the Young Caymanian Businessmen's Association letter or parts of it, because this is the thrust of what they are saying.

In every profession or in all walks of life, second opinions are crucial, regardless really of the size of the money involved and here we have seen a very serious criticism of that Health Plan. It is unfortunate, because I would have thought if Government had those criticisms at an early stage the plan would have been one which the Medical and Dental Society said would suit the needs of the Cayman Islands.

I would like to know that someone whose qualifications are undoubted, extensive and someone with experience in the areas, quite frankly it appears to me that the Member for Health is more qualified to put that report together than Mr. Conti, that he will look for someone or an independent firm or in some way ensure that what is being done has been not only acceptable to the profession here who must be fully involved (and they should have been involved from day one), is not one that is going to waste the country's money or produce facilities which are not as good as we could get if we had taken that second opinion.

I do not think that it is good enough to say that that Health Plan has been accepted by the public. The Member on his own admission has said he had an average of 23 people at these meetings. Whatever reason people did not attend in George Town (it was some 16 people I understand), whether it was the approach that was taken to this, because when you do things and you come after the fact and ask people to endorse it because that is all they could do at this stage and not ask them for their opinions in the beginning then you do find that people take that as a slap in the face.

There is no way that I am prepared to accept and as the Member in supplementary question, I put to him, I am not prepared to accept that those meetings are an endorsement from the public. I can tell you that 16 people in George Town (out of a population here which I am not certain what it is), because we have not got the statistics, but probably 10 or 11 thousand people living in this area is an absolute joke. Regardless of the Member trying to say that these were leaders within the George Town area. Sixteen people cannot give the opinion of the majority of the electorate, in my electoral district.

It will have to be confusion on anyone's part to accept that in any electoral district regardless of how small the number of people who vote or how many members of that community there may be.

I am saying that in that respect, the public like the Caymanian Compass and the Chamber of Commerce for example in its criticism has said, I think the Member before he adopted that as a policy if he had then gone to the districts as I did with the medical, education and the social service policies, whatever, if you approach the people first and as the Member for Education is now doing with Education Revue, you have to be a lot better off in getting their input at the beginning.

The Government's medical plan is in itself not what can be accepted as a plan (when you are dealing with this serious a matter). Throughout the many pages of it, one finds that it is little more than the putting together in a bound book of statistics which have been given to the IHC by Government and from the point of view of a statistical abstract it has a lot of that in it. A plan has to have a lot more. It has to know where it is going, what it is going to achieve in detail, and it has to address all major issues as well as minor issues in it.

One of the examples I gave earlier in even the statistics collected is that it does not appear to me to have dealt in any depth with the length of stay of patients in the beds. This is an important aspect because a patient if he is there an average of five or six days you are looking at a totally different side to planning than if the patient is only there for a day.

Some of the questions that come to my mind is the question of the analysis of patient preference. What really is the patient looking for in medical facilities? What is the preference of the doctors and the staff who are going to work in these upgraded or new medical facilities? No matter how good a building we put down, we come back to the human fact of it. That is if you do not have the total support of the public and the medical staff who use and run it, the medical facilities are not going to be successful.

A further determination of the cost effectiveness of the services, needs to be looked at and most important as I dealt with the private side of it earlier. What is the potential impact of a private hospital on this? Further I believe it should look at the volumes and mixes of the three private clinics that are now here, because this has to have an impact on where we are going with it. To just assume that because we build a medical facility here that patients are not going to go overseas is in my opinion just not good enough. I think more study has to be done around that area.

The splitting of the hospital into two sites, under the Health Plan has been rejected as I can see it by just about everyone in this country. It is not good common sense even because it is going to cost the people of the Cayman Islands, very substantial amounts, not only in the capital expenditure which is a one off situation but it is going to cost a lot in the recurrent expenditure from year to year.

There will have to be a lot more medical staff and as one doctor said at an earlier stage, he said, "how can I be two places at one time"? There has got to be duplication and I must say the Health Plan admits this, why in the world they recommended it, is beyond me. So that aspect I believe can shave millions of dollars off the cost of the new facilities in due course.

I want to remind this honourable House that as Dr. Roy McTaggart, many times said, "a penny saved is a penny made". If we can save in dealing with these facilities it is as good as making money which this Government has had problems doing with any new measures which are not having an impact on the people's pockets.

In the seven areas that are being upgraded at the present Hospital, that it takes into consideration the fact that we should not split the medical facilities between two sites some four or five miles apart. In fact, the site does not even have a road to it, so that is a very substantial additional cost that is going to have to be added on.

The public does not have to feel they may be alone with rejecting the splitting of the hospital. The doctors, the medical staff and Members within this House have told the Member that to split it, is going to be an economic disaster. It is going to be a disaster on the effectiveness of it, and it is going to be costly with duplication of equipment, facilities and of staff. With Government's high cost in salaries to civil servants we cannot afford at this stage to add unnecessarily to it.

With the disaster as I see the Health Plan at present, it is no wonder with the mistakes in it, that the overall amount is some \$20 million. If this country borrows that as I said earlier, they definitely will not be able to borrow any other large substantial amounts. On top of this if we can save, then we are also saving the ten per cent and more that should be going out in the \$2.4 million payable to IHC for services. I want to draw a good example here.

We are upgrading the medical facilities for two-thirds of what (the Member asked us for, which will be payed over three years), it would cost us to pay IHC to draw up the plans on the new hospital. This gives you the significance of the money this country is saving by not making what I think is expensive payment in fees to these specialists.

As I mentioned earlier the Member is qualified as a pharmacist and he has more qualifications in medicine than Mr. Conti. I believe that he is capable of finding the people without this 10 per cent fee to IHC and saving the country this \$2.4 million. In fact, with the \$1.5 million if we could add that other \$900,000 to it, I think we could probably upgrade several of the areas of the hospital.

Like I said earlier, any fool can spend money but it takes a wise man to make it. Similarly anyone can take money in the form of revenue measures or taxes but it takes a good person to make money rather than just taking it out of the peoples pockets in the form of revenue measures.

I want to go on to an aspect of this which is when these facilities are upgraded on the seven point Motion. They must be properly maintained. If you build a building out of gold and you do not maintain it, then you will find that it gets into a deteriorated and sad state at a later stage. Dealing earlier where I think the present facilities deteriorated to, this is a new area of maintaining the facility after we now upgrade them.

I would like to see the Member coming to this Honourable House with particulars of a maintenance programme that he can assure us is not going to cause the upgraded or the new medical facility to depreciate to the stage that the present facilities have depreciated to. It is most important because if that maintenance policy deals with problems as they arise the cost is very little. If they are allowed to go on then the cost could be very substantial.

If the roof leaks you fix it. From time it begins to drip, you do not leave it for a year until it has leaked on very costly medical equipment or it has wrecked the walls or the ceiling. I would like to see that area of maintenance is properly dealt with by the Member.

Moving on to another area and that is dealing with this Motion, the way it came to the House. What does this Motion really do? It is a Motion in principle that will ultimately have to come back to this honourable House (because Finance Committee has been circumvented) to be dealt with again. Why has it been brought in principle? It has been brought in principle purely for politics and nothing more. The Member at this stage seems to me to have done very little more than to get a confirmation of the fact that we support what is in the Motion and he has to ultimately come back to the House. At this stage with the rejection of the Government's Medical Policy by the medical profession and the public in some areas of it (such as the splitting of it), the Member has taken one area out of the plan which he knows this House will endorse and I believe on the basis of our endorsement of that one area he is going to try to sell the \$20-odd million to the public for the new facilities.

The second reason why it has been brought in principle because while I may be wrong, I do not remember in the past having to deal with in principle Motions relating to expenditure of this sort. It is because he does not have the details of how much it is going to cost, what the impact

is, what the plans are to bring it to this Honourable House. At a later stage this whole procedure is going to have to be gone through again.

One of the reasons, and, in fact, the only reason that the Member for Health has given for bringing this Motion at this time as an in principle Motion is so that the public can hear the debate. It is one of the main reasons as put forward.

You know that seems to me to be something that could well have been done at a later stage or alternatively, we know that the Finance Committee, in fact all select committees if they wish, they can make their proceedings public. They can conduct their business publicly, so the attempt to circumvent the Finance Committee on the basis that it is a secret committee is totally unfounded in my view.

This Honourable House, for example, in the committee stage of Bills, they do not put in on the radio. This is where if this House does the work of Finance Committee then it is going to be done at the committee stage of the Bill and it still will not go on the air under the present policy relating to it. There is no reason why, if this Government wanted to have all of its Committees deal with things publicly, they could have put a Motion in those Committees and have had it dealt with publicly.

I think the Member mentioned about having only the resolutions of the Finance Committee recorded. That is so, but there is nothing wrong as he saw in the budget, the Finance Committee the Budget. The Backbenchers produced major statements on the five main areas that were being dealt with. They were put in the Minutes and they went out to be published. The Government did not do the same.

The Government has never had any inclination to make anything public out of the Committees, Finance Committee or otherwise, up to this stage. In fact, in one of those Committees, I will not get into it now, there has been an eternal fight by the Backbenchers to try and get some of the information put out to the public. So I do not think it is good enough and we cannot have the public fooled on this point, that the reason for coming here in this very unorthodox and very unusual fashion with this Motion is one that has been so that the public can hear the debate.

There are areas for example more recently we have seen Minutes relating to witnesses. They go into Finance Committee in some considerable detail and around some areas where witnesses were called during the Budget, there is a lot of detail put in the Minutes. So whatever Finance Committee wishes to put in the minutes or however much it wishes to put out to the public, it can put out to the public.

It is the same as when we come to this Honourable House in due course in June or whenever the Bill comes back, the Committee stage here will be taken verbatim but if the calling of witnesses are dealt with, which it will have to be dealt with, I would think at the committee stage then that would be recorded but it would really not go on the air as such, and would not go onto the radio. I do not think the public is going to get a lot more from that debate. That reason is the main reason given to avoid taking this matter through the Finance Committee. The Member for Health has said a lot about that democracy or words to the effect should not only be done, but it must appear to be done. That is taken from a legal phrase from the legal profession, that justice should not only be done, it should seem to be done. I could not agree more with the Member on that point; as I agree with him on his Motion today. But let us look at the application of that rule in this Honourable House. He made comments about Governments policies being frustrated or being stopped by a majority of Members. That in itself is a total, I guess what I could call undermining of the full principle of democracy. Sure there has been some Government policies that have not passed through this Honourable House because when the eight of us Backbenchers feel something is not good for the country, we do not approve it.

Regardless of what the Government may feel and with what he is referring to here, which is the medical facilities, we have about four or five standard questions which if the Member could answer now he would have had his Law before the House rather than this in principle Motion, is where is the money coming from? How is it going to be repaid? Are you going to put any revenue measures or taxes on the people? Have you done your homework and gotten details of the total cost and where necessary a second opinion, where there is a lot of money involved? Then we are in a position to fully consider Government's policy.

There is another saying, that majority rule is democracy. And democracy is the majority rule. The last few days in this session we have seen a lot of foot work in an effort to avoid going to the Finance Committee which as the present Member for Education has mentioned was set up in his Standing Orders, back some 20-odd years ago.

I would like to touch very briefly (because this has come up from time to time), about what I see as problems with this principle that the Member for Health has dealt with. The first lesson you learn in Government is that you never lose your three Backbenchers who give you a majority in the House. It is a sensible rule because when you do that, you get to the stage where sometimes you are not going to have a majority in this House, and where you never have a majority in the Standing Finance Committee that deals with the expenditures of the country.

I have worked with those three Backbenchers over the months, it is probably nearer to a year now and we have substantially stayed together most of the time. So the fault could not have been all on them. We have remained through very difficult periods where we can talk to each other and I notice there was a laughing on the other side we probably have kept them because we have told them you can talk to the Government Members anytime. We will not restrict you from doing that (as Mr. Franklin Smith mentioned). This is a democracy. People can talk to whomever they wish anytime they wish. They are free people. And on the basis of that freedom and that democratic right we have remained together on most issues.

It is good common sense in life generally, we have to give and take. Sometimes we win, sometimes we lose. But if we can sit down, communicate and talk, and this is the problem with the present Health Plan, there has been a lack of communication with crucial people who go to make

up what would have been good advice that should have gone into it.

It is the lack of communication between Members in this House that has caused the problem and if we can communicate between ourselves as diverse as we are, some four began on one side of the political arena and four on the other. Then there has got to be something wrong with the Government itself in their communication with the Backbenchers as to why those three Backbenchers left them and have remained.

Speaking personally for myself, I have had probably more conflict with two of them than anybody else in this island. We know that for the good of the country there are times that we have to work together as we have tried to do with this Government. The breakdown at times has come from the same reason why the Member cannot get through his total policy on the medical plan. It has come from the fact when Members of Government are not prepared to communicate, they are not prepared to accept the advice of other people at times and they are not prepared at times to say we have made a mistake, we need to reverse it, now let us get on with it. So if you take the rule that communication is one way only, you do not have communication. If with the Medical Plan there had been communication with the medical society, they would not today have been saying that that plan is badly defective.

Lastly on this area, before I touch on another small area. As we are showing today, the Backbenchers have done everything in the world possible to try and see this country progress and to avoid a general election. This country I believe and perhaps even some Members of this House must have been shocked to have seen an agreed Budget for this country. That had to come about through a lot of effort on both sides. It is the one time where you could see very clearly that we were trying.

To be frank, let us be clear about this, a lot of this has been leveled at us, if we had wanted to hurt this country and force an election I mean all we had to do with eight Members in Finance Committee and four Members of Government, was to have not agreed a Budget. It would have been a major policy that you in your other capacity would have thought carefully and long, but would have been an ingredient which may in your discretion have caused you to have brought in a general election.

So we have passed five out of six laws, we have agreed on nearly all the Laws this time and we have endeavored throughout to keep peace provided that what was being done was for the good of this country. Where we differ with the Government is when policies such as this one, are defective in some way and I am talking here of the overall Health Care Plan to deal with the new Hospital of where the public's money is being wasted.

I want to make it abundantly clear from my view I should say, that the position as I see it here with the circumvention of Finance Committee was not for the public to hear what is going on, but it was because the four Executive Council Members, in a fairly desperate effort to hold on to power despite the fact that they do not have a majority at times in this House, and even with the resignation of Mr. Franklin Smith, still do not have a majority in Finance Committee. So they do not even have an effective minority, I should say at times.

We will continue, to support them, when the measures are good for this country. But the public and the Members here have to know that our restated position is that if the measures are not good for the country, we are going to reject it. And if ultimately a General Election arises in this country, it is going to be because of the actions of the four Elected Members of Executive Council in their struggle to hold on to power when they cannot effectively govern. There is nothing more that can be done from our side and we will continue to support good measures but we are not going to support things that are bad for this country and if problems arise then it will have risen not through any fault in us but through a fault of minority Government.

Lastly, on this point I want to say this. The implementation of this policy on medical facilities, depend on the stability of this country continuing. The stability, as the Member dealt with in some detail under his democracy statement, can be badly affected where it is seen internationally that a minority Government at times is trying to hold on to power in a democracy. It can be affected where you get the bad timing, of statements about having constitutional revisions. It can be badly affected when there are sweeping statements about revenue measures and everyone is left in suspense. It is suspense in a country like this be it on the Health policies, be it because you do not know what the Government is going to raise revenue measures on. We do not know what Government really means on major policies.

That can destroy stability and this country and, especially at times like this when I would ask the Government, please do not bring up certain issues when we have so many other necessary major issues that we must find solutions to, such as the medical facilities that we have here. Leave out areas, that could be dealt with later at a better time to deal with them.

The Motion as I see it being in principle, is a purely political one. It is something that could be postponed and brought at a later stage when the details had been worked out and it could have gone its normal course through Finance Committee.

I would like to read briefly from another good piece of advice which the *Caymanian Compass* has produced for the Government to consider and this is Government's policy. The criticism I have of it is not for the Member directly, it is Government's policy. It is in the same *Compass* of last Friday the 2 March 1990 at page four:

"It says in a letter written in your 28 November issue the Honourable Ezzard Miller Executive Council Member for Health and Social Services challenged the Chamber of Commerce to hire their own consultants on Health Care."

MR. PRESIDENT:

I think I must interrupt you, this has already been read into the

record at this meeting. I think that I am correct that this letter you are about to read has been read in the records.

**MR. TRUMAN M. BODDEN:** It has been read.

**MR. PRESIDENT:** Well I think that in this case, I should ask you not to do it again.

**MR. TRUMAN M. BODDEN:** Sure, as you rule, I will...

**MR. PRESIDENT:** I am sorry, I said earlier about this debate, that we would give it considerable latitude, it has had considerable latitude, but I think repetition is another thing altogether and again there has been considerable repetition. I am now trying to save the time of the House, this Motion has gone on a very long time already.

**MR. TRUMAN M. BODDEN:** Could I just mention this, when I say as you rule, it means I accept your ruling...

**MR. PRESIDENT:** I understand that. I just wanted to explain why I was...

**MR. TRUMAN M. BODDEN:** No, if that is your view, I would like, however, to comment on it because, I think I am entitled to that.

The thrust of what the Young Caymanian Businessmen's Association said, and that is a body that I have utmost respect for as well as the Medical and Dental Society, I hold them in high regard. They have said what we have been saying for a long time. And that is that when there is so much alleged wrong with IHC plan, "you go and get a second opinion".

The problem with the Member (and unfortunately it is reflected at times with the Government), is that they do not want to be told by someone this is not to our advantage and you should take a second opinion and either confirm or reject what is in there.

In my legal profession second opinions are common place. In life I think they should also be common place. When you are spending the public's money you must get a reputable and experienced consultant to give you advice and obviously those doubts (on the ability of IHC to produce what they call the Medical Plan) have been cast through all strata of the society. When you have the medical profession even inside the Government criticising areas that can waste the public's money, such as the splitting of the Hospital between two sites, I think that the Young Caymanian Businessmen's Association is totally right; a second opinion is necessary. Not just on the overall plan but I would like to see that second opinion as well on the seven points have been set out in this Motion.

I believe that after that second opinion is taken we will probably be in a position where consultation will produce a plan that is more geared towards what is needed from Cayman's point of view. It will not be along the traditional line of software picked up in the United States or whatever and just brought in without any adaptation of the programme.

I believe that what they said in there, where the Member challenged the Chamber of Commerce to get their own second opinion is a very unfair challenge. They are in the same position and jointly I am sure have a lot more money than we have as Backbenchers. We are in a similar position.

The Member has had extremely large amounts of funds available to him to go out and get his opinion. If he feels so strongly that the Chamber should get the second opinion then bring a paper to this House and appropriate a reasonable amount for the Chamber, to look for a independent person to give the second opinion.

We are in a similar position. We do not have public funds to spend to go out and get a second opinion. It is hard. Nearly impossible to do so. If that challenge is to be made realistic then let the Public Tenders Committee choose the independent expert. So the challenge, I guess, is watered down by then, but make some funds available to get the second opinion.

I would be a lot happier if getting that second opinion they could go out and solicit several independent experts and that they (the Public Tenders Committee) could choose someone. Perhaps I would think there would be no problem with co-opting without a right to vote. Someone independent to the Public Tenders Committee, who may have specialist knowledge in that area to assist them in doing so. It is not a proper statement to make, to us or to the Chamber of Commerce to go out there and come up with an opinion or a second opinion on it.

**MR. PRESIDENT:** Could we take the break there. Proceedings suspended for 15 minutes.

**PROCEEDINGS SUSPENDED AT 11:28 A.M.**

**PROCEEDINGS RESUMED AT 11:55 P.M.**

**(The Honourable First Official Member in the Chair)**

**MR. PRESIDENT:** Proceedings are resumed. Please have a seat.  
Continuation of the debate on Government Motion No. 2/90 the

Third Elected Member for George Town, continuing.

**MR. TRUMAN M. BODDEN:**

Mr. President, continuing with the points that the Young Caymanian Businessmen's Association had laid down in their letter. They said words to the effect that the second opinion should come from people who are widely known and leaders in the Health Care field. They also said that the persons who do this should be impartial and that is very important, because where you have the consultant being too close to the Member of the Government or whoever employs that person then there can be a danger there.

It had been said earlier that Mr. Conti, apparently, for example, had been in a political profession prior to the last elections. The third point they made was that the consultant must examine all options. And this point is well taken, because when examining for example, the private option in the IHC plan, Government's plan, they may well find very large savings.

The options could be in other areas where the present opinion has not been adequately dealt with. They also stressed that there must be local consultation. That, I dealt with earlier. It is most important when dealing with this type of plan which has to have the full support of the local people and especially the local medical profession for it to work.

When I say the local people, I refer to people who will use those medical facilities have to want to use it. They have to have faith in it and I am afraid unfortunately a lot of the faith in the present medical facilities has been destroyed by the Member himself. The fact that services are so important to that hospital is what has made it in the past despite what deficiencies there may be in buildings.

There are good staff in that hospital in the medical services and I know because I have had most of my family in there at one time or another. My three children were born in the hospital and one of them was actually delivered by two nurses in an urgent situation without a doctor so I have full faith in the staff at the hospital. Yes, but if you were having the baby - how would you feel?

I believe that the development there, whatever funds that are appropriated, must go towards trying to upgrade the staff situation, trying to pull them together as a team and that way, I believe, the Member will find that the acceptance by the public to what is going to be a large expenditure will be much easier.

I would now just like to summarise in nine or 10 points briefly the ground that I have covered in this debate. To begin with the eight Backbenchers have always supported the upgrading of the medical facilities. We have said it publicly, we have a published statement that I read on this, we have said it to the Member and the rejection of that as I mentioned earlier, been very deliberate on the part of the Member, not ourselves.

We have always accepted it as, for example, in the meeting with the medical staff when the first Elected Member for the Lesser Islands asked about moving on with these improvements and tried to then deal with the new hospital at a later stage, when he slammed his hand on the podium and shouted, No! So what is here today, I have no problem with accepting, Sir.

Secondly, I believe that the Motion today is a political motion that could have been brought once the Member has done all of his homework on the costs and the plans at one time probably in June when he has the figures. Or better still if he was really in a hurry to move on with this, it could have been brought to Finance Committee in between, because he very well knows we support it and would have supported it.

The Motion from the point of view that the Member could have got on with this a long time ago is in my view not a matter of his worrying about upgrading the facilities, or his worry to hurry and get on with upgrading them, because we have agreed on this long ago, we would have appropriated the money in Finance Committee long ago. It has been him who is holding out that he has got to get it all or he is not going to take a part.

The other area I dealt with briefly was that the problems which now have arisen, the crisis situation which the Member regards as a crisis, are the buildings which the medical society regards as a management crisis. In the words of the Member for Health, as he said in the Newstar, he said words to the effect, 'we are in a crisis situation and are five or six years behind.' That is true, five or six years ago, when I left the Portfolio for Health we did not have this type of crisis and the morale of the staff was high and we kept the hospital compound in good shape and maintained it.

Fourth, I mentioned that whatever contracts to be dealt with the Member has undertaken that these will go through the Public Tenders Committee and what we do not want to see in the contracts, regardless of where they go through is that they are open ended and they are not for a fixed price.

As we have seen the present contracts seem to have a limitless right for the IHC staff to draw vast sums for things such as air fares, \$40.00 per day, and money relating to hotels and that sort of thing. It has to be more tightly wrapped up.

Fifth, I dealt with the private hospital, private medical facilities and I feel strongly that Government should go into negotiations and encourage and stand behind a private medical facility. It will save this country and the people a lot of money if the private sector can deal with the part of the medical facilities. It can only be done if Government is going to guarantee the private sector, not to overlap and to cause that private project to go out of business and there are many ways that can be done. Whether it stretches from the permissions that are necessary for staff, straight through to the duplication of facilities and if we are looking at 18 or 20 million and we find that perhaps 10 or 20 or 30 beds can be provided privately that is going to save many, many millions to the public. Lastly on that, I stated it is good in a democracy to have the competitive edge, especially something like a medical profession so that the standards of the Government hospital would remain high as it would have to compete against the services in the private hospital.



Sixth, I mentioned that the Member, I do not feel can take the public meetings as an indication as acceptance by the public at large, and in George Town especially, the 16 people to his meeting are definitely not representative of the 10,000 or there about people who live in George Town.

I stressed the maintenance programme because no matter how new a building is or how new the equipment is the first thing that has to be done is to ensure that the building and the equipment is maintained or Government once again is going to waste a lot of money. I would like to see that maintenance programme over all put in place early to deal with the present seven upgradings that we are dealing with here.

I dealt with earlier this morning that I felt that the Finance Committee should not have been circumvented. There is a procedure there if the Member is worried about having this go to the public where minutes can be kept verbatim. Put in full or alternatively if they so wish then they can do a Motion and they can publicize what ever is needed of what ever debate.

I pointed out that in this Honourable House the Committee stage of Bills, which is where the calling of witnesses and the details of those plans will be dealt with, will be at a time when the radio is not broadcasting it under the present policy. So I do not think that excuse is a valid one.

I mentioned that the reason, I believe or the reason as I see it, why this long established tradition of going to the Finance Committee for funds has come about is a struggle of the minority government that we now have at times to hold on to power without a majority.

I note that the Government has said that this is not going to be a precedent and I hope that they will stick to their word on that, because it would be sad if there was consistent and organized circumvention of this.

The stability of this country can be shattered and is now badly affected by the uncertainty that we have in this instance, a circumvention of Finance Committee and a movement away from a majority rule system.

I also mentioned briefly that that can come about through the uncertainty of saying as was heard recently, that there will be revenue measures but nothing is brought to the House. The public remains in suspense as to what will come about. And lastly that the untimely and unfortunate statement about Constitutional revue at a time when we have so many other problems on our plate to solve has got to hurt the country.

I would like to commend the medical profession who have spoken out on this important matter. And I said I hope that there will be and I am sure there will not be any reprisals on staff who have given their opinions on this in their professional capacity and that whether or not they coincide with what the Member wants to hear.

The position that the Backbenchers are basically the protector of the public's funds, it is our duty to pass measures that are good for the country and to reject those that are bad. But more than that, we have to be able to afford what we are doing. As the saying goes, 'any fool can spend money, but it takes a wise man to make money', and I also reminded the Member that a penny saved is a penny made. So every dollar that we can save under that health plan is equivalent to a dollar made.

We as Members of this House, in fact all Members of the House, and I have let me mention this the absolute respect for the three Official Members and the slight that was thrown into the debate there of them being lessor is to me not really fair and it by no means reflects our views.

We hold them in high esteem but where tradition and where the Standing Orders have stated that Elected Members make decisions and they make it in many other areas, not just this one such as the appointment of Executive Council, then we feel that part should be properly left, as it always has been, for Members who are elected and are accountable directly to the public.

Our view as protectors of the public funds is to see that we get the maximum value for the money that we put out in public funds and we must see that the funds when they come to be spent can be properly justified. In this instance the 1.5 million even though it is a substantial sum, is really very small compared to the \$20-odd million plus that may ultimately be spent under the plan itself.

We have asked the Member to get second looks at areas in the plan such as the splitting of the hospital which will save the country a lot of money. We have always, and I want to stress this, we have always agreed with upgrading and extending the present facilities as the Member has set out. Therefore we have no hesitation at all with accepting this.

Our differences have been over the \$20-odd million which we say is exorbitant for the 96 bed hospital. We can assure the Member as he has seen with the Member for Tourism and the Member for Health in the budget who got just about all of the money that they asked for. That if things are dealt with in a proper and traditional fashion these problems will not arise in the future.

Lastly, my duty and our duty is to see that the public is protected. My duty is not to friends or family or otherwise when I stand in this House. Through out my life in public and my aim here, and I believe that the aim of every Member here must be to see that only things that are good for the public are passed and things that are bad for the public and the Cayman Islands are not passed and rejected.

I can give the assurance to this House and to the public that that has always been my aim. It always will be my aim and as long as I remain here whatever is good for this country I will support wholeheartedly, always watching out that the public gets proper value for its money and funds are not wasted. If things are not good, I will reject them and that I understand clearly, my duty as a protector of the public and of their funds and my duty to continue the stability of the Cayman Islands.

Thank you.

**ACTING PRESIDENT - MR. PRESIDENT:**

Does any other Member wish to speak? The Member for

Education.

**HON. BENSON O. EBANKS:**

Mr. President, I support Government Motion No. 2/90. In beginning my contribution to this debate, I want to make a few statements on things that have been said and positions that have been taken and seem to be hardened on this whole question.

The Third Elected Member for George Town claims to be the custodian of public funds together with his colleagues on the Backbench. He says this has always been his aim and always been his effort to see that the public got its value for money.

I have always heard that performance is what is measured when ones career is being pronounced upon and I would just like to make the point that after eight years in office at the end of 1984, that Member, after having passed through probably one of the most prosperous economic times in this country, left an empty treasury. I wonder where his sense of values and protection of Government funds were during that period. But, it is not surprising to hear the Member speak in that fashion because the Member has not gotten from first base with this Motion.

He repeatedly stated that the Member for Health is not following a plan of any sort, because the plan which has been accepted calls for eight surgical beds. When the Member constructs the 12 surgical beds that are being sought in this Motion the hospital will then have 20 surgical beds. That is, he is adding the 12 new ones to the eight existing surgical beds.

The second item to be undertaken under this Motion is the conversion of the present surgical ward to an intensive care unit. So the eight existing surgical beds will disappear and we will only be left with 12 and it appears to me that this throughout the argument that has been coming from the other side, this has been the problem.

They do not understand, I do not believe, what the Member for Health is trying to do. He is talking about interim improvements which the Backbenchers claim they have always supported. I believe that there is a difference between their position and what the Honourable Member is attempting. It seems to me that their position is that they want to see the existing hospital renovated, full stop. That is the extent of the improved facilities which they are prepared to give to the country.

The Member for Health is saying that as an interim measure while the plans are being developed for the new in-patient service, that these seven improvements need to be made. I believe that anyone would accept that these seven areas of improvement are not the only areas of improvement that are necessary at the hospital at the moment.

That also is why the Member has problems reconciling the fact that the Honourable Member of Health is only asking for \$1.5 million when in the development plan the renovations to existing facilities is placed at some three million plus. I do not think they have read or they do not understand fully what is being proposed.

Much has been made too, by the Third Member for George Town and the First Member for West Bay in saying that the consultants had not contacted the private practitioners and, indeed, the Government practitioners for that matter and the Medical and Dental Association. But nothing could be further from the truth. The Report, under the heading of Appendix and Appendix 2, lists all the people and the associations that were interviewed during the course of their study. The Government doctors are listed, the private practitioner, Dr. Tomlinson who is quoted in the paper, is listed as having been contacted, and I seem to recall that the Medical and Dental Association in a previous statement in the Compass endorsed the plan.

It is not new that every time Government announces plans to upgrade the existing facility or build a new one that someone from the private sector comes out of the woodwork with fantastic plans and saying this is what they are going to do. My view is that if the private sector intended or had the wherewithal to build that hospital, it would have been built long ago, or at least it should have from the time I have seen the plans for it.

But my view of that exercise, before the Chamber of Commerce the other day and what is in the paper, is nothing more than an effort to preserve one's own competitive position in the field. I wonder if Members believe that persons in the private sector are going to subsidise medical care to the extent that Government has had to do over these years. I am sure that if they ask themselves that question then the answer has to be a resounding no!

It is my view that Government has to provide the basic medical facilities for the masses in this country. If someone in the private sector wants to build a hospital, by all means let them go. The Member has quite openly said that it will be three years before Government can build its hospital and certainly, if the private practitioners come along build one in the meantime, naturally Government would have to take cognisance of that when they are reviewing plans for final acceptance. But until such time as they begin to put mortar in the ground or can show beyond reasonable doubt that they are going to build a hospital, then Government has to do something, because the existing situation should be improved.

What should be remembered in this argument is that the existing in-patient facility at the Government Hospital is itself an old building that has been renovated. It was done basically as a stop gap measure with what money that was available in those days. It was the best Government could do at the time. But the 1974 to 1975 Development Plan for the hospital envisaged that that in-patient facility would be used for something else and a new in-patient facility built.

It is a fact the Member for Health is saying that the 1976 to 1984 Government did not follow the plan that was left for the development of the site. The plan that was done in 1974/1975. And that the building of new buildings on the site without any regard to that plan has seriously compromised the options for future development on that site. That is a fact.

The Third Elected Member for George Town also said that when

he left the Portfolio in 1984, everything was shipshape. All facilities were adequate and everybody was smiling and happy. That is far from my knowledge of the situation was, but I want to make one point and that is that the Government that came in December 1984 and had no extra money to work with.

I pointed out that we had an empty Treasury. We had to increase revenue measures in 1986 in order to generate funds which have accumulated over the years to do something for the hospital. To have talked of building a new hospital in 1985 - 1986 was a luxury that, I am afraid, we could not afford although all of us, certainly anyone in the medical profession who will speak their mind, will tell you that the solution to that problem we have is a new hospital.

So we gave consideration to all options. We studied the existing premises to see whether, for example, they could be turned into the community college when and if we built the hospital hoping that we could play both needs at the same, in order to get best value for the dollar. But the information was that it was not possible.

The *Hansard* of this House, will record on many occasions that I stood in my place and said that in my opinion we needed a new hospital, that we would mount a consultancy to tell us whether it could be put on the existing premises or if not where it should go. Included in the consultancy was taking all demographics into consideration the size of the proposed new hospital.

It seems to me that here is as good a place as any to mention that the Member did not ask any consultant to plan a 96 bed hospital for this country. What he asked was for the consultants to tell him, in view of all the demographics and the existing circumstances, what is the size of the hospital that we should have? The 96 bed hospital is the recommendation of the consultants.

The other point I wish to make at this time is about the Members handing over the hospital in good stead. I seem to recall that one of the first jobs I had as a Member after I took over in 1984 was to negotiate a settlement of a malpractice suit that had been placed on Government because somebody had passed on after being treated at that hospital. That does not indicate to me that everything was in good condition at that time. I am not going to go into that anymore but purely to show that the hospital was certainly not in a glorious state of repair at that time.

The Third Elected Member for George Town also indicated that nothing had been done to improve the position of the hospital over the intervening four or five years. I believe he said that at least he could fix a roof when it leaked. Well in 1988, the entire in-patient facility was re-roofed. And in 1989 the administration block was re-roofed.

There were extensive renovations to the public health facilities on Grand Cayman and a new dental and public health building built in Cayman Brac in 1988. In 1987, and this is interesting because the Member when he read what the consultants had said about the state of the medical records centre or room at the hospital, he seemed to believe that that was because nothing had been done, but the truth of the matter is that a new medical record centre was built in 1987, but this demonstrates the folly of doing things without proper planning. It was accepted when this was being done that it was in fact a stop gap measure because I made it plain, more than once from this House, that I did not intend to spend more money than necessary on the present building because it was my view that we should have the report and then move on from there. The point I am making is that we built what the public works department and the doctors told us was adequate. In other words we utilised the knowledge of the persons within the Government department. We built it and it is still inadequate but I believe also, if I remember correctly, that the recommendations contained in the Development Plan is for a much more modern and sophisticated system of record keeping than is now employed. That is why maybe the new records office will not be a lot bigger than the existing one but the equipment in it will be such that it is stored on tape and films and so on. In other words, we are talking about computer technology being employed.

We go on and we can recount improvements that were made to the casualty section and others during the period. The minor operating theatre was remodelled and improved, but the truth of the matter is, that was done again with a limited expertise in the building of hospitals or remodelling of them.

Here I should say, quite emphatically, that I do not believe that too many of these doctors we have heard sounding off in public about these proposed facilities are expected to be experts in the construction of hospitals. They do not do any study for that, they study medicine and the healing of the sick.

I believe that the Member has done the right thing in getting consultants to do the review. I believe that I could do two things here and that is to put to rest the charge that nothing was done to repair and keep running well the facilities at the hospital and also the charge that the present Member is, shall I say, indicating in his public meetings that the hospital is in such a deplorable state.

Quite recently the Member wrote to the *Compass* and pointed out that he would like to reassure the public that there has been no dereliction of duty in delivering the best possible health care.

He went on to point out that it was not just his opinion but it was reassuring to know that in a recent travel magazine the Cayman Islands were rated among the top three countries in the region in terms of the quality and availability of health care.

He has said that we need to get additional beds and while we are at it, we have to improve certain inadequacies that exist and that the present building does not lend itself to being patched again. That if we are going to get the system or the facility that Caymanian people deserve and that we must have if we are to maintain our position as premier destination for tourists and as a leading financial centre that we have to get adequate modern medical facilities. I agree with that. It useless to talk about patching up the present system facility. They made very much of the fact that the surgeon had said in an article in the *Compass* on Friday that there was no crisis at the hospital. I recall not many weeks ago where that same gentleman, the

surgeon with his picture under the article said in the Compass that there was a desperate shortage of rooms in the surgery suite at the hospital.

I would not pay too much attention to any opinion that he might give on the facilities. It would seem to me that he blows hot and cold and I believe that is the case with as I said most of the opinions that were contained in that paper on Friday.

**MR. PRESIDENT:** Sorry to interrupt, we have reached the lunch break, would you agree that we should suspend?

**HON. BENSON O. EBANKS:** Yes, Sir, because I will not finish in a little while.

**MR. PRESIDENT:** The House is suspended until 2:15 P.M.

**PROCEEDINGS SUSPENDED AT 12:47 P.M.**

**PROCEEDINGS RESUMED AT 2:20 P.M.**

**(The Presiding Officer in the Chair)**

**MR. PRESIDENT:** Proceedings are resumed.  
I would like to thank the honourable First Official Member for taking the Chair in my absence at the George Town Hospital for treatment. I was not verifying anything that has been said during the debate.

Continuing the debate then on Government Motion No. 2/90, the Honourable Member for Education.

**HON. BENSON O. EBANKS:** Mr. President, before lunch I was making the point that there is much difference between the position of the Member for Health and the Government and the position taken by the six Backbenchers.

The Member for Health and the Government are saying that the improvements covered by Government Motion No. 2/90 are interim measures, not the final and total product. We are saying that this country and its people deserve a new hospital.

The six Backbenchers are, and have been saying that we should renovate what we have, live within our means and that Government does not have a bottomless pocket. That Government, above all, has to be careful less we get in a position where we owe our life to the IMF and that a renovated hospital is all that is needed. They seem to be saying that a renovated facility is good enough for our people in this day and age and that we should let them take their chances after that with a private hospital that is those that cannot go over seas.

The Third Elected Member for George Town said that we should not use up our capacity to borrow or use up our reserves because we might have a hurricane or some other emergency. As I said this morning, that Member should have heeded his own advice between 1976 and 1984, because in 1984 when we took over we found, as I said, an empty Treasury and there was little if anything to show for the money that was spent.

The financial responsibility of this Government is well established and our record is good. We, in our time, have done many capital projects and we have ample and adequate reserves. We have not borrowed beyond our means to service it from recurrent revenue.

It was said that in touring the hospital, this was the Third Elected Member for George Town that he had been told that one of the problems, or the chief problem, with the hospital was that the air compressors there were inadequate. He went on to say that they were probably there from his day and they do wear out. The truth of the matter is that those two compressors are still working and that tells us that the standard and quality of maintenance was good. They were inadequate when they were put there, as is most of the rest of that theatre. I am not going to go into that. It is well documented and every Member has a copy and has heard from the Chief Medical Officer and the hospital staff of the inadequacies of that facility and that we should correct it.

He also mentioned that in his tour he had been shown a dialysis machine which somebody told him had outlived its usefulness. Of course, he had to say that subsequently he was told that the manufacturers representative had recently serviced it and that they had said that the machine has many years of life left in it yet. He could have added that the management of the hospital also confirmed that there was a spare machine in stock. But that, again, shows the good maintenance that was performed on those machines over the years. That even after they would consider it would be of no use the manufacturers representative can still give it a clean bill of health for several years.

I understood the Third Elected Member for George Town to say that he could not believe that vast increases in the number of people that were being treated at the hospital in recent years. But the fact is that that has happened because over the past several years Government was able to restore confidence in Government medical services. In enumerating what had been done over the past several years I could have added, the new instruments to the tune of \$1 million that were added in 1988 and over \$500,000 in 1989. So areas that were critical to the delivery of good health services were, in fact, taken care of.

I believe he said that one Member had told him that they had not seen anything positive being done to improve the hospital in four or five years. I believe somebody would say

that we always have one or two of that kind of worry who cannot see the improvements but the vast majority do.

The Member also said that the plan had been rejected by everyone except the four Elected Members of Executive Council. Now to begin with the Plan to my knowledge was accepted by the whole Executive Council, not just the four Elected Members and that is the way we operate.

He said further that the problem had been that there was no consultation with the medical staff, especially with private practitioners, but as I pointed out this morning it is recorded in the report the numerous interviews that were held with private practitioners and medical staff.

It is also untrue to say, as has been said by the Third Elected Member for George Town and the First Elected Member for West Bay, that all of the doctors attending the meeting in the hospital conference room rejected the split site proposal. What the vast majority of doctors said, if not all of them, was that given an unlimited Budget they would rather see a facility all under one roof, but bearing in mind the fact that there was considerable investment in the present site they could understand why it was being utilised.

That is also recognised by the consultants, but I want to emphasise that the splitting of the services will not cost more to provide the services than if it had been put under a single site. This is the whole idea of to using what we have in a remodelled fashion as a service as recommended in the plan, will save government money, not cost it more.

Now I want to touch on another couple of remarks that were made. The Third Elected Member said that Government had mentioned revenue measures but had not given any details or said anymore, and this was also said at another time by the First Elected Member from West Bay, but the Throne Speech was clear and ambiguous. What it said was that it was contemplated to bring new measures to fund the Government salary package, and until such time as agreement has been reached on that package, Government cannot and does not intend to bring the revenue measures.

The Member also said that mention of the Constitutional review at this time was bad. No position was taken on the Constitution. All that was said was that given the passage of time, most things need to be looked at and probably it was time now that our Members might consider that it was time now to ask for a Constitutional Commissioner or Advisor to look at the Constitution after talking to the people to see whether they were satisfied or desired changes. Nothing unsettling about that.

That is much more stabilising about our approach than to have Backbenchers bringing Motions saying that they know what the public want, Constitution change and that we should set up a committee to study it.

I think this is a responsible way we have gone about it. The Third Elected Member for George Town also said that this Motion is a political motion and brought only because a minority Government is trying to hold onto power. The Motion to take this matter to the whole House and not the Finance Committee was done by the majority of this House. Eight Members, strong and true, voting for - as opposed to seven, including the one that has since resigned, voting against it. Not any minority, the majority. And the Member should be aware of the Constitutional provision of dealing with Members of Executive Council if he believes they should be removed. There is provision for that and it is not by getting up and talking about minority Governments when they get eight to seven votes.

It seemed that the First Elected Member for West Bay and the Third Elected Member for George Town are a bit upset at what they had said in their earlier contribution concerning the three Official Members of Government.

It seemed to me that they were of the opinion that promising them a good salary increase was all that was necessary and by extension they went on and suggested that otherwise they were, as they like to say, extension cords. I know better than that. The three Official Members, as I said in another debate, are Constitutionally as much a Member of this House as any Elected Member. And they carry out their function well.

I think I should also say that it is untrue to say, as was suggested by the First Elected Member for West Bay, that when I was Member for Health I would have nothing to do with the consultants that the present Member for Health has used. I do not know of any reason why Government or the present Member for Health should not do business with those consultants. I did not consciously take a decision not to do business with them. It happened that as time progressed towards the 1988 Election and not having funds in the Budget for the consultantancy, it was impossible to do anymore than had been done before the Elections were called.

I believe that the plan which we have accepted is a reasonable plan and I happen to know that the outline of the plan, the basis of providing the service is one that is acknowledged by the World Health Organisation. I also know that, in broad terms, it is the system that is used in Bermuda, and that in Bermuda the health services are well operated and deliver a good standard of care. I believe that this approach will have the same affect in these Islands and I have no hesitation in supporting this Motion without reservation.

Thank you, Sir.

**MR. PRESIDENT:**  
Mover of the Motion to reply.

Does any other Member wish to speak? I then call upon the

**HON. D. EZZARD MILLER:**

Thank you, Mr. President.

I would like to take the opportunity to thank all Members for their contribution to the debate. It is unfortunate that I cannot say that I agree with most of them, and I will have to spend some considerable time answering their various criticisms.

The Motion before the Assembly is a simple one. It is an

attempt to get support for physical improvements of the George Town Hospital to take us forward, until we can get the new facility.

It was intriguing for me to sit here and hear Members, at the start of their debates, agree with the Motion and then spend the rest of the time attacking me and the consultants, usually personally, under the guise of privilege. But I believe the public is now aware, because the public should use their imagination and imagine the criticisms, the personal attacks, the problems that we as a Government in most instances and in particular myself, face in Finance Committee. If these Members can go to the extremes that they have gone to when they have the general public listening to them, imagine what they do behind closed doors.

Much has been made of what happened in Finance Committee, what was intended and what was done. I do not make my living in reading people's minds, palms or cards, or by gazing into crystal balls to predict what the future holds. But in December of 1989, the First Elected Member for West Bay quoted from the Report of the Standing Finance Committee on the Appropriation (1990) Bill, 1989. What he quoted is true, it is in the record, and that is final position. But to understand why those terms were accepted one has to understand what transpired in Finance Committee over the several days.

The Government listened for three days to their proposals for their parochial request of approximately \$4.6 million. While I will not bore the House as to what was included in that package of requests, because this is now a matter of public record, I would just like to draw to the attention of the public and of Members to the areas which they were prepared to reduce to fund those requests. The very last page of the Finance Committee Report on the Appropriation (1990) Bill, 1989, reads: "s) (Page 101 Head 28) Cut 07-014 Fees Consultancy - \$700,000."

Now I do not know what they intended for the people of this country in terms of health care, because I cannot read their minds. But I know that says that they were reducing the necessary funds by \$700,000 to provide the facilities.

After several days of arguing and explaining it to them, I managed to hold on to \$350,000, and they put a rider on it to only do Management Systems. I did not have any choice but to accept it. They had the majority, and they told me so at least a dozen times. That is why that is there. They demonstrated that they did not intend to improve health services, because that is the result of their taking the funds from this request for slaughter houses. That is why they had to issue statements - which mean nothing. They went to all the public meetings and they had to issue another set of statements. And they tell you that I cannot judge the public's support from the participation at my public meetings.

To try to deal with the various contributions made by Members on the other side, let me try to start off on a positive note. There was really only one Member on the other side (or the Backbench) who debated the Motion and offered support for what I was trying to do, and that was the First Elected Member for the Lesser Islands. He debated the Motion before the Assembly. He did not discuss what had been put to rest days ago. And I would like to congratulate him on his understanding and appreciation of what we are trying to do for the people of the Cayman Islands. As Chairman of the Management Committee for the Faith Hospital he is well aware what we are trying to do for that institution as well. And I thank him for correcting the erroneous charges made by the First Elected Member for West Bay about what that is going to cost - if you were to listen to him you would think it was going to cost hundreds and hundreds of thousands of dollars.

To deal with the contribution by the First Elected Member for West Bay, it is rather unfortunate that in reference to his long and venomous contribution, where he obviously took the opportunity to once again attack people under the guise of privilege, I only have one thing to say about his two hour presentation, and that is that I challenge him to put those remarks in writing and sign them, or to repeat them in a public forum where I can get witnesses. Then if the judge finds libel in this case I wonder which of his new found friends are going packing to the bank to sign guarantees, as I did in the past, to bail him out and keep him out of jail. I certainly will not be doing it.

Now, as for the contribution by the First Elected Member for Bodden Town, he obviously has his rationale for feeling that the consultants did not know what they were doing, or that they were not qualified. He also made certain postulations as to why Cornwall Regional Hospital and others had failed. In my opinion, the reason why Cornwall Regional Hospital, in particular, failed was because of the exodus of qualified professionals for political purposes. It has nothing to do with health care or anything else. The Chief of Surgery left Cornwall Hospital to work in Cayman Brac where he could have piece of mind and political harmony. He was one of the most respected orthopedic surgeons in the Western Hemisphere.

It is true that most consultant firms on Wall Street charge 5 and 6 per cent, but 5 and 6 per cent of what? Usually it is 5 and 6 per cent of your operational Budget for management consultants and for the implementation of managerial policies and improvements. You know what 5 and 6 per cent of the operating budget of \$9,000,000 is? Let them use their mathematics and work it out, because the Third Elected Member for George Town claims I cannot count, but I can show him right where he is a good mathematician.

As for the Member's constant reference to me as being a two vote Member of the Assembly, I am proud, privileged and honoured in all humility to represent those intelligent, concerned constituents of North Side who get very much involved in an Election, and who are very concerned about what is going on. I am not ashamed that I won by four votes. His brilliant colleague, the First Elected Member for West Bay, says that when they held a meeting in North Side they had about 60 people - 25 of them were good sensible North Siders. I wonder what the other 35 were who they carried up there with them?

I had four people out of my committee there. They did not have 25 North Siders there. They might not know who Northsiders are, but we know. Any Northsider there would have been a sensible one. I agree with that. I do not know how they would describe the rest of them who went up in the bus.

I have no problem with his vow for revenge. I really have no need, nor interest in intimidating anyone. I think I have demonstrated, in five years here, that I can take the cut and thrust of debate as good as the next man and offer it back. That is all I ask. I do not ask for any special dispensation or privilege. Give me the best you have to give. I can take it, and usually I can return it.

Now, to get to the contribution by the Third Elected Member for West Bay. Throughout the debates it was said that I am now doing what they wanted done, and that this was not a part of the Plan. I keep saying that it was a waste of expenditure to have had copies of the Plan printed so that Members could read it. We saw one Member, a couple of days ago, looking for a map. He claims that he had read it three or four times, but he spent about 15 minutes looking for the page - he cannot find the page yet.

The fact of the matter is that what is now being done has always been a part of the Plan. The GTH Adaptations were the first to be done in 1990 to buy us the time. As far as the Management Systems are concerned we have been into that repeatedly. I went to them in June of last year about improving the Management Systems. There comes a time when systems alone cannot improve performance and there must be physical adaptations and improvements.

What I am doing today is a part of the Plan. It has always been a part of the Plan. It is not a part of their plan, because this is the total extent of their plan, except for the knocking down of the Mosquito Research and Control Unit and of extending the maternity ward. This is the only alternative I have heard from them.

As for this super qualified, beyond reproach, consultant that they have, whom the Management Committee has reportedly seen at the hospital running around like a pink panther with a measuring tape and every time somebody gets near they put it in their pocket and run off. I wonder how much consultation their consultant is doing with management at the hospital? And again, words spoken by their own mouths, they have not read the Plan or, if they have read it, they do not understand it, they have not comprehended it.

This was not a computer bought package found on a shelf, as was suggested by the Third Elected Member for George Town. These people spent, on average, five to six days a month over a nine month period on the Island interviewing hospital staff, and staff of other public services who interact with the hospital.

Their wonderful champion at the Chamber of Commerce, Doctor Tomlinson, was interviewed for over two hours on one stretch alone, and they never mentioned his private hospital.

When I hired the consultants I told the Cayman Islands Medical and Dental Society about it, what we were going to do, and I asked them for their input and their involvement. The consultants tried to talk to several of them, and they refused. And, not only did the consultants try to talk to them, but the Chief Medical Officer also tried to get certain information from them. If I, as the Member for Health, had ordered a consultant firm to investigate what private medicine was doing in this country, those who are saying that I should have consulted them would be calling me a communist and crying foul. The Government cannot, in our system, force an investigation into what private health care is doing.

This country prepares an Annual Report on its health care and we have tried to get certain simple information from private physicians. On Thursday, 7th September, 1989, the Chief Medical Officer, Dr. Payne, sought private physicians to agree. One of the things we have is the medical report of this country and to date it represents only Government's provision, because that is the only thing we have access to, but we wanted to make sure it was more accurate. He offered a form to complete - it could have been completed by their clerical officer in their business office - a simple 18 item form: Infectious diseases; venereal diseases; malignant neoplasm; diabetes; mental disorders; diseases of the nervous system; disorders of the eye, disorders of the ear; hypertension; disorders of circulatory system; diseases of the respiratory system; diseases of oral cavity; diseases of the digestive system; diseases of the genital ureteral system; obstetric conditions in normal pregnancy; diseases of the skin; signs, systems and ill defined conditions; social and miscellaneous medical exam investigations; health for infants; psychological reasons. All they had to do was to fill in the quantities, but they refused to do it.

We have a simple booklet for reporting sexually transmitted diseases (STDs) and the Medical Officer for Health has a hard time getting them to complete it. The private physicians have some concern with this Plan and they should have, but anyone giving quality health care need not worry. Those who have been running their clinics here from the 1960s, who have never been to school a day since, have to be worried because we are going to legislate that they must have continued education. They are going to have to apply for privilege and it is going to be reviewed annually at that Hospital. Look at the tenor of their article in the *Caymanian Compass* and tell me what their concerns are for National Health, or are they concerned for individual practices?

These people think that the Cayman Islands Medical and Dental Association is a great organisation. Do not misunderstand me, we have some very good professionals who happen to be members of that organisation. I asked them over a year ago for their comments to include in the Health Practitioners Law disciplinary procedure and improvements in the registration process. They told me that they would think it over, that they would discipline themselves, and that they would register themselves. Because I told them no, I have not heard from them since.

Three or four years ago they met with the Pharmaceutical Association about dispensing medication. They adopted the Canadian Medical Ethics as their by-laws, which says they cannot dispense medication for sale. We pointed that out to them, or rather I did not because I was not a member of the Committee, I was only President of the Pharmaceutical Association at the time. Do you know what they did, Sir? They changed the by-laws to allow them to continue to sell medication. You have to pay \$8.00 for 20 Panadol, and you can go to any drug store in town and buy them for \$2.00.

The country at large knows my last presentation. I told them about the Plan and they were starting it. I went to them with an Interim Report in June. I went to them with an Interim Report in September. I went back to them in January of this year with the final Report and I made the presentation. They came out days later with a statement approved by the whole body (not by two or three renegades, as this one appears to have been a couple of days ago) in support of the need for these facilities.

I said from this microphone, and in many forums of this country, that I have nothing against private enterprise providing health care in this country. I am all for privatisation, but there comes a time when the Government has a responsibility to the public.

You notice (and I shall get to the details of the article later on) that they think Government should hire physicians to provide 24 hour coverage and emergency, but there is no money in that. They voted as a body to publish that press statement. I, for one, was quite surprised to see them contradict themselves at the Chamber of Commerce and to issue a press release separate and apart from that. The Third Elected Member for George Town went into great detail about the statements made in that press release, and I will deal with them individually as we move on.

The Third Elected Member for West Bay said that Executive Council was trying to railroad this Plan through the Assembly. The only thing they have heard about in this Plan is the 96 bed hospital. They have refused to acknowledge that there are, in fact, seven other recommendations which are just as important. In fact, I believe that the recommendation for reorganisation is even more important than the new facility. They should not tell us that if we build a new building, but do not reorganise, that we can carry the problems forward. We know that, we are trying to prevent it.

I will now deal with that exhausting contribution by the Third Elected Member for George Town, and all his head scratching and shoulder tapping saying what he was doing and what I am doing to staff morale. I am not doing anything to hurt staff morale. The staff knows how much I support them. In no forum have I said that the problems at the hospital rest with the professionals there. I have always said that we have the people to perform the functions, but they do not have the space and the equipment to be able to function. It is my contention that the savings from what we are sending overseas (because we do not have the space to do it in) could service the \$1.5 million loan we are about to get.

I worked under that Member (as a member of staff) when he was responsible for the Portfolio and I will say that he tried hard to destroy my morale. I wrote a letter to him, through my Head of Department and through the Principal Secretary, explaining to him what the Inventory Control System was at the Hospital. If the Head of my Department had not concurred with the contents of my letter he would have returned it to me. The Principal Secretary had to concur or he would have sent it back.

I invited the Member to tour the facilities. He came and toured the facility together with the Chief Medical Officer. He took a bottle of tablets and put it in his pocket. He congratulated me about the system (but he said that people could do that). I will not tell you here what I told him, but suffice it to say that in the next sitting of the Assembly he had a Member ask questions ...

**MR. TRUMAN M. BODDEN:**

Mr. President, did he say words to the effect that I took tablets from the hospital?

**HON. D. EZZARD MILLER:**

Yes, Sir, I said he picked up a bottle of tablets from the shelf and put in his pocket, as an example of what other people could do. That is what I said.

**MR. TRUMAN M. BODDEN:**

Mr. President, there must be some problem with the memory of the Honourable Member. I do not ever remember doing things of this sort. Why would I do something like that? What did happen if he is going to give way, Sir.

**MR. PRESIDENT:**

Well, the point is you are on a point of order.

#### POINT OF ORDER

**HON. D. EZZARD MILLER:**

I am not giving way, Sir. If he has a point of order it is all right.

**MR. PRESIDENT:**

On a point of order you are saying that the Member's recollection is not correct...? Fine. Then I think we should leave it there, you made your point.

**HON. D. EZZARD MILLER:**

All right, suffice it to say, that at the next meeting of the Assembly he got a Member from the other side to ask him a question and he concocted the 1977 and 1976 Auditor General's Report and accused me of stealing. It took me five years to clear my name and I had to sue one of his supporters. The court record is there. It is history. It was the first case of libel won in this country for political purposes.

#### POINT OF ORDER

**MR. TRUMAN M. BODDEN:**

Mr. President, on a Point of Order, is the Honourable Member saying that I concocted an Auditor General's Report? I would strongly ask that that be pulled back. Good Lord!

**MR. PRESIDENT:**

Would you care to restate it?



**HON. D. EZZARD MILLER:** I am not saying that he concocted either one, Sir. What I am saying is that he used a combination of the 1976 and 1977 Report. He can check the *Hansard* where he got a Member to ask the same question in 1983, or early 1984, leading up to the 1984 Election. The Honourable Member who is now responsible for Education had my copies of the Reports, the *Hansard* will bear it out. If you want to adjourn the House I can go to North Side and bring the whole file.

That is the kind of thing that destroys staff morale.

**MR. PRESIDENT:** The Third Elected Member for George Town, if there is a point here that you dispute, I suggest that what we do is deal with it outside, because this is reference to records which can be checked.

**HON. D. EZZARD MILLER:** Thank you, Sir.

The Member said a lot about how I am destroying the present Hospital site. The problems in the Operating Theatre and the Surgical Ward are problems of design. That is what happened when he let those brilliant doctors, combined with Public Works Department's Architects, do his design work for him.

He had a lot to say in support of the article in last Friday's *Caymanian Compass*. The good Dr. Kools does not have to worry about me and any disciplinary action I might take, or anything else. But he can seriously worry about his Head of Department because it is him they are criticising in this article, not Ezzard. I do not manage the Hospital, and I am just going to point out a few of the inaccuracies he made to the Chamber of Commerce.

**MR. PRESIDENT:** We will take the break there.  
Proceedings suspended for 15 minutes.

**PROCEEDING SUSPENDED AT 3:16 P.M.**

**PROCEEDING RESUMED AT 3:44 P.M.**

**MR. PRESIDENT:** Proceedings are resumed.  
The Honourable Member for Health, continuing.

**HON. D. EZZARD MILLER:** Thank you, Mr. President.

When we took the break I was referring to the article in the *Caymanian Compass* of Friday, the 2nd of March. I am not going to enjoy what I have to do now, but since Members, in supporting this Motion, have relied so heavily and in particular on the comments of the Chief Surgeon at the hospital, it is unfortunate, but I have to point out the mistakes and the blatant errors in the statements he made when he addressed the Chamber of Commerce.

This article (and Members have quoted it extensively) says that "he maintained that there was no direct crisis in health care and that the present crisis is simply and purely a crisis of management." It is unfortunate that this same person on the 12th January, 1990, made the following statements in an article printed in the *Caymanian Compass* of that date. It starts off by saying, and I quote:

"Patients arriving for long scheduled operations at George Town Hospital are being turned away because of a shortage of beds, and others are being discharged early to ease the risk of post-operative infection,' Surgeon Dr. Wilhem Kools says."

Then he goes on, Sir, and I continue to quote:

"Last Friday I had to turn away two patients who had been booked well in advance for cataract surgery,' said Dr. Kools. 'It was a big let down for them. I felt very sorry, but the system just couldn't cope.'"

He continues, Sir:

"On Wednesday', he said, 'two private patients arriving for surgery were turned away, again, because there were simply not enough beds. An operation is a big thing for any patient. No one should have to wait,' he said."

This is the same gentleman who, almost a little more than six weeks later, said that there is no crisis of surgical beds at the Hospital. How can he say that the present crisis is simply and purely a crisis of management? He is the Chief Surgeon. He is the person who is being paid by the people of this country to manage that department. So if the management needs improvement he should get on with it. We are paying him, not myself, not IHC, nor the management team, to do it.

Suffice it to say the inaccuracies continue and become even more alarming. In his presentation to the Chamber of Commerce he goes on to talk about the lack of public

confidence and the lack of continuity in the medical care due to the great turn over of doctors, especially of specialists. Since I have been in the Portfolio only one doctor has not renewed his contract. There has been only one turnover in staff. We have added additional staff but there has been no great turnover. That one is going off to further his training, Sir. For him to claim that the IFC Plan is a textbook approach, and he is one of those who was repeatedly interviewed by the consultants time after time for input. The hard, cold facts of the matter are that the Health Plan for the Cayman Islands is specifically designed for this country based on the demographics and its needs. It has not been taken off any textbook shelf.

I could go on, but I do not wish to bore the Members of the Assembly. I do not know why this gentleman has chosen to contradict himself so early, in so many times and in so many ways. No doubt he can explain that to the relevant authorities and in the proper forum when he gets the opportunity.

The Third Elected Member for George Town spoke at length in his usual disjointed fashion and I will have to follow him in order to answer him and come back to things in order to repeat them. I guess that is what lawyers get paid for - the number of words that they say. We can understand that and I appreciate his aptitude for debate and emphasis and summations, etcetera.

He spoke about my public meeting in George Town and said that no one attended. For someone who is not a representative of this, he and his six cohorts never had a big crowd at their meetings on the Court House step either. Maybe a lot of members of the community were simply disinterested. He was invited to two of my meetings in George Town and he did not show up for either one.

As far as the private sector is concerned, and this was confirmed by the doctor himself who is proposing to build a hospital. He was asked at the Chamber of Commerce meeting what were the stumbling blocks that he claims Government was putting in his path. He could not find any. I have held three meetings with him. He attended the Medical Association meetings and tried to take one over with a plan from the World Bank. I left him alone and let him talk, because most of the people realised that what he was saying could not possibly work in the Cayman Islands. He showed me a copy of his floor plan. My reply to him was that while we did not have any great legislative capacity here to demand standards through regulations and otherwise, my only request would be that he build a hospital in accordance with standards published by the United States Health Authority. I felt that they would be most readily available to his architects. He agreed with me. I heard no more until he came back a couple of weeks ago and told me he had changed his mind. He was not going to build a hospital anymore, but rather a specialist surgery. I told him again, that I did not have a problem with that and he should go ahead. He has been granted planning permission in principle, but what he is waiting for I do not know. If he is waiting on me to pass legislation to guarantee him a clientele, then he can forget it.

In the private sector we are a capitalist society, and I would like to clear up a misconception about competition among the private physicians. This Plan is not trying to stop competition, but rather to introduce it. Right now we have the Government physicians and the private sector. There is very little opportunity for competition between the two. When this puts them on an equal basis, all private physicians all getting paid on a fee for service, then we will introduce competition and offer the public a choice. Not under the present system.

Under the present system one can go to the hospital, but one cannot choose a physician. You are assigned which ever physician is working that day. That is what they are afraid of - the competition. I am not trying to stop competition. Government is in no way trying to take over and provide total health care. What we are going to do is to introduce certain, very high standards of health care in this country and put regulations in place to enforce it. That is what the big lobby is all about. It is not about whether we need a new hospital. The same doctor who was at the Chamber of Commerce telling everyone that we do not need a new hospital was at the Hospital party congratulating me, in front of witnesses, saying how badly we needed the new hospital and how much they were going to support it.

I do not know why the Third Elected Member for George Town would say that nothing has been done about the management systems at the Hospital because he voted for the funds. Early in his debate he spoke about interim reports on infection control and surgical management. Five of the 10 interim reports that he voted for have been completed. He has to know that, Sir.

I cannot accept that the criticisms of the Cayman Islands Medical and Dental Association are as serious the Third Elected Member for George Town regards them. We held a meeting in January of this year and these were not my words, these are the words of the press release from the Cayman Islands Medical and Dental Society. "Discussions and explanations by Mr. Miller were searching, serious and helpful", said the release." For this new found opposition to the Plan, none of those criticisms are serious.

As for the Third Elected Member for George Town claiming that items such as patient preference, doctor/staff preference and cost of service were not considered as a part of the Plan, they were considered, Sir. But the fact of the matter is that heavy consideration is given to those three things when designing a facility, not in the laying out of a health plan for a nation. These are finite and special interests that would have to be considered when doing a finite design and detailed design work, not in laying out policy direction for health care for the country. That is what the Plan is about. Government has accepted the eight recommendations as Government policy.

We have been trying to involve the private sector in this whole process. I held a total of five meetings to which the Chamber of Commerce and their representatives were invited. They never came, but do you know what they did? They got three people to speak about my health plan at a Chamber of Commerce meeting, but I was not invited to attend. The country should ask itself why?

They spoke about getting second opinions. We spent \$88,000 on a second opinion with them on the Pension Plan and we are no further ahead today for it. That is why I stated in the paper that they should hire their own consultants this time around if they wanted a second opinion. I stick to

that position, irrespective of the request in the letter from Caymanian Young Businessmen's Association. And you tell them to hold their breath until Ezzard replies.

That Member, the Third Elected Member for George Town, is really rather confused about this whole issue. What is being done today is but a part thereof, of all of the adaptations necessary to the present site for its new functions. This is only concerned with the Ambulatory Surgical Centre and that is why it is \$1.5 million and not \$3.5 million.

The Member mentioned private schools. One has to wonder what the new trend is in this country. Is it support for Government programmes where everyone can benefit, with Government providing certain basics in health care and education, or is it support for private institutions where only people of certain means can attend.

They doubled the vote for the private schools. Why? They are advocating only the private enterprise provision for health care. And I want this to go down in the *Hansard* record. I challenge Doctor Tomlinson to build a 40 bed hospital in this country and charge a \$150 per day without going bankrupt in a year. They will tell you that private enterprise is so much more efficient than Government. We believe that it costs us about \$200 per day now. Let him build his and charge \$150. But of course he did say, in reply to a question to me that the doctor's charges per day would be \$300. If that is the position, well, then, you know... Government has no interest in making any one person happy. We are interested in providing a better quality of health care for the people of this country and that is what this Motion is all about.

They went off on other tangents. They said that I do not know what health insurance is going to cost or what it would cover, etcetera. Out of interest let us look at the Bermuda situation. I have made no secret that this is what we are looking at as a model for our Hospital Act and our Health Insurance programme. I believe that country meets the needs of its people and they did it in 1970. They have a Health Insurance Plan, and very briefly I will cover their Standard Hospital Benefit Plan which provides the following at a monthly premium of \$44.19 per person:

"In-patient services including accommodation and meals at the public ward rate at the King Edward VII Memorial Hospital in Bermuda; full nursing services; laboratory, radiology and other diagnostic procedures; drugs administered in the hospital; use of operating room; anesthetic facilities equipment and supplies; standard surgical supplies; use of radiotherapy facilities; use of physiotherapy facilities; use of hemodialysis facilities; use of ultrasound facilities; treatment for alcoholism; use of orthopedic braces; services rendered by persons who receive remuneration for that service from the hospital.

In addition to the in-patient services the following out-patient benefits are provided.

Pathological studies, x-ray other diagnostic procedures not obtainable or generally provided in a doctors office; the use of radiotherapy; occupational therapy and physiotherapy facilities; treatment for accidental injury; local ambulance services; x-ray of the breast at a TB, Cancer and Health Clinic."

All of that is provided for \$44.19. Out of interest, do you know what it cost them on an in-patient day? Their charge for public ward accommodation is \$300 per day and all the other things are menu billed. X-rays of facial bones, for instance, are \$74.

I maintain that the Health Plan is a good Plan. I maintain that it can be financed without imposing taxes on the people of this country, in particular if one includes a National Health Insurance Programme which is currently under investigation.

The seven areas to be improved now are necessary as an interim measure to alleviate the critical problem and to buy us the time necessary to build a new hospital. I maintain that the only long term answer to in-patient health care in this country is a new hospital.

I thank Members for their support and opposition of this Plan to try to upgrade the facilities. I ask all Members to vote in favor of the improvements at the George Town Hospital. Thank you.

**MR. PRESIDENT:** The question will now be put on Government Motion No. 2 of 1990. Those in favour please say Aye...Those against No.

**AYES.**

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

**AGREED: GOVERNMENT MOTION NO. 2/90 PASSED.**

**MR. PRESIDENT:** Item Three on today's Order Paper, a Motion to Suspend Standing Order No. 19, the First Elected Member for Bodden Town.

## OTHER BUSINESS

### MOTION TO SUSPEND STANDING ORDER 19

**MR. ROY BODDEN:**

Thank you, Mr. President.

Motion to suspend Standing Order 19 to enable a Non-Government Member to propose a Motion with regard to the Government Minute on the Public Accounts Committee Report on the audited accounts from 1988:

"Further to notice given during Friday's sitting of the House held the 23rd February, 1990, of a Motion to suspend Standing Orders to enable debate to ensue on the Government Minute, pursuant to it having been tabled, I, the First Elected Member from Bodden Town, do move that:

**WHEREAS** it is considered that this Honourable House should have the opportunity of debating the Government Minute on the Report of the Public Accounts Committee on the Audited Accounts of the Cayman Islands Government for the year ended 31st December 1988;

**AND WHEREAS** the Government Minute has been tabled in this Honourable House Friday, 23rd February, 1990;

**AND WHEREAS** it is considered that the appropriate time for debate on the Report of the Public Accounts Committee is when the Government Minute has been tabled;

**BE IT THEREFORE RESOLVED THAT** this Honourable House suspends Standing Order 19 to enable a non Government Member to propose a motion in regard to the Government Minute."

**MR. GILBERT A. McLEAN:**

Mr. President, I beg to second that.

**MR. PRESIDENT:**

Mover wish to speak to it?

The Motion has been duly moved and seconded. Would the

**MR. ROY BODDEN:**

Thank you, Mr. President.

I believe, and you may correct me if I am wrong, that I have to move another Motion accepting the Government Minute but outlining that we wish to take issue with some points in it, Sir.

**MR. PRESIDENT:**

Suspension Motion first.

Just the first thing, if you have anything to say on the

**MR. ROY BODDEN:**

No, Sir.

**MR. PRESIDENT:**

suspend the Standing Order? In that case I will put the question.

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

**AYES.**

The Ayes have it.

**AGREED: STANDING ORDER 19 SUSPENDED**

**MR. PRESIDENT:**

Member from Bodden Town.

Following that then there is the second Motion, the First Elected

### PRIVATE MEMBERS' MOTIONS

#### PRIVATE MEMBER'S MOTION NO. 8/90

#### MOTION TO ACCEPT THE GOVERNMENT MINUTE ON THE PUBLIC ACCOUNTS COMMITTEE REPORT ON THE 1988 AUDITED ACCOUNTS OF THE CAYMAN ISLANDS' GOVERNMENT

**MR. ROY BODDEN:**

Thank you, Sir.

To accept the Government Minute on the Report of the Public Accounts Committee on the Audited Accounts of the Government for the year 1988:

**"WHEREAS** this Honourable House has agreed to suspend Standing Order 19, to enable a non Government Member to propose a motion in regard to the Government Minute which was laid on the table on Friday, 23rd February 1990;

**BE IT THEREFORE RESOLVED THAT** the said Government Minute on the Report of the Public Accounts Committee on the Audited Accounts of the Cayman Islands Government for the year ended 31st December, 1988, be accepted by this Honourable House."

**MR. GILBERT A. McLEAN:**

I second the Motion, Mr. President.

**MR. PRESIDENT:**

The Motion, which has yet to acquire a number through our records, has been duly moved and seconded. Would the Mover wish to speak to it?

**MR. ROY BODDEN:**

Thank you very much, Mr. President.

I shall endeavour to be as brief as possible in the interest of the time of this Honourable House and that in appreciation that the Members of the Honourable House may be a little weary after such an energetic and very lengthy debate of the past days. Before I begin, I would like to caution the Honourable Members that I am just a single entry bookkeeper but there were some matters which I think need to be addressed finely before we lay the Government Minute and this years Public Accounts to rest.

I would also like to say that as a nonprofessional I prepared some outlines of my concerns in the Government Minute as they reply to the Auditor General's Report and the Public Accounts Committee. When I had written them, as best and sensibly as I could, I circulated them to the Members of the Public Accounts Committee for their perusal and agreement or disagreement and they were returned to me, generally, with agreement. I now crave the Honourable Members time to express these and there are three or four points.

The first has to do with advance accounts, paragraph 8(ii). The Government has not interpreted our concerns in this area correctly. Significant amounts were recorded in Advance Accounts at the end of 1988, some \$5.3 million. The Government's Accounts are cash accounts. When a payment is made it is normally expected to be charged straight to a Head without delay. If it cannot be charged directly to a Head, it may be presumed that this is because there is no adequate and proper authority to make the payment. While we accept that there are certain types of payment which will properly go to an advance account, these should be kept to a strict minimum. The advance account, therefore, of some \$5.3 million appears too large.

With regard to Government's accounting policy on the delayed recording of several capital expenditures, it is the strong view of the Public Accounts Committee that we do not wish to encourage the Government to use creative accounting techniques to present the Government's year end financial position in a better light.

We see no good reason the accounting of any capital expenditures to fall beyond our normal cash accounting procedures. Once a payment has been made, the normal and expected accounting treatment is to charge it directly to a Head. The Governments true financial position will remain the same irrespective of the accounting treatment. If the Governments Budget and cash flow procedures cannot cope with this then they need urgent review. The Legislative Assembly needs to see clearly the true financial position at the end of the year.

Paragraph 7(iv): Charging for Private Medical Practitioners use of Hospital Facilities. We are pleased to see the very positive reaction Government has made to our recommendations concerning the health service. Very substantial amounts of money have been lost to Government through poor systems of financial control, undercharging of fees and hidden subsidy to private medical practitioners. Perhaps the present health system would not be in its present state of decay and under funding if these matters had been addressed properly earlier. We welcome the Governments intentions to review charges payed by patients treated by private doctors at the Government Hospital.

However, the Committee sees here a flagrant example of a private business using a public facility to carry out its profitable activities. Arrangements for the recovery of the costs of the use of our hospital made by private patients would be simpler and provide Government with better control if these costs were recovered directly from the private medical practitioners concerned. It would, thus, also be easier to regulate and control the extensive use made of the Government Hospital by these private doctors and ensure that Government doctors had first call on these facilities.

Paragraph 9 - Land Exchanges. I would like to preface this sensitive issue with a reminder that we have endeavoured in this reply to maintain the standard of professionalism, non partisanship and to abstain from any inquisitorial or embarrassing position. We do not intend any indictment or castigation of the Officers. We merely intend to increase the professionalism and to increase the ease and the efficiency with which the Government Finances and Accounts are laid before this honourable House, bearing in mind that only one of us is a Certified Accountant.

We hope the revision of the Development and Planning Laws will be undertaken with some urgency. It is important that this review considers what responsibility developers should have to contribute to the improvement of our country's infrastructure. As we have seen with the proposals with the Master Ground Transportation Plan and the Hospital Plan, infrastructural development and improvement is extremely costly. We should ensure that all sectors of our society contribute properly to any needed infrastructure development, particularly if they are to gain the benefit from it.

We have clearly, and I emphasise clearly, reached an impasse

concerning the value for money received in the land exchanges with the Safe Haven and Cayman Islands Yacht Club Developers. It appeared to us that very large amounts of land were legally available to Government. Please note; while significant amounts of land, etcetera, have now been obtained from the developers the Government Minute does not allay our fears and concern over the fairness of the land exchange deal.

Perhaps for the next sitting of the Public Accounts Committee the Government will prepare and submit to us full and comprehensive balance sheets for the exchanges showing clearly and exactly what Governments entitlements were, what was exchanged for these entitlements and what current market valuations can be put upon them.

As we are not yet in full agreement with the Government on this, we feel, we being the Public Accounts Committee, that this will help to settle this question properly and finally.

We are impressed with the seriousness with which Government takes its estate management responsibilities. This is commendable. We are very pleased to hear about the steps taken to control and regulate marl mining. This is an important environmental matter and the Government's actions in this area in response to the Committees concerns are timely and most welcome.

Paragraph 10 - The New Community College. The Committee notes that the Government records that lengthy delays, the design problems caused by a large lime stone cliff on the site and the problems purchasing land for the new Community College were not due to weaknesses in any project management systems and procedures.

The Committee's wish is to see that Government is following the highest professional standards and procedures for project management and to have these standards and procedures well documented. We welcome Government's assurance that coordination of such projects will in future be improved.

Lastly, on the Internal Audit. We welcome the re-introduction to Government after a lapse of some seven years of an Internal Audit Unit. It is vital that the Internal Audit be sufficiently independent to enable them to perform their duties in a manner which will allow their professional judgements and recommendations to be effective and impartial.

I would like to mention a certain dialogue and exchange which was current in a few issues of the Caymanian Compass concerning this independence and professionalism in judgements of the Internal Audit Department.

The Committee sees it as being very important that Internal Audit be independent of the personnel who are directly responsible for the operations that they are to review and they are separate from all financial systems operating in Government. We hope, therefore, that following the proper establishment of the new Internal Audit Unit it will cease to come under the control of the Treasury Department.

We feel that Internal Audit will contribute greatly to the improvement of financial management and control and improve the efficiency of the Governments use of resources. We hope that some mechanism will be arranged so that the statutory bodies may also have the benefit of Internal Audit services.

We will look forward to the Auditor General keeping us informed as to the progress made in re-introducing the Internal Audit Unit, and may I close by saying that it gives the Public Accounts Committee great encouragement to take note of the Governments intention to comply with the Report and Recommendations made in the Public Accounts Committee's Report. Might I also add that I shall make a draft of these notes on the Government's Minutes available to the honourable First Official Member should he desire to have them for his records, Sir.

Thank you.

**MR. PRESIDENT:**

I am not sure at this point, whether any other Member would wish to speak? I do not know whether the Government proposes to reply to the Committee Report. I think I got that right. They would not, I think, be prepared to reply immediately even if they had it in mind, or am I wrong?

## ADJOURNMENT

**HON. THOMAS C. JEFFERSON:**

Mr. President, it is so close to 4:30, perhaps we will take the reply in the morning. If that is agreed, I will move the adjournment until 10 o'clock tomorrow morning.

**MR. PRESIDENT:**  
tomorrow morning.

Question is that the House do stand adjourned until 10 o'clock

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

**AYES.**

**MR. PRESIDENT:**  
10 o'clock.

The House is accordingly adjourned until tomorrow morning at

**AT 4:25 P.M. THE HOUSE STOOD ADJOURNED UNTIL 10 O'CLOCK, TUESDAY, 6TH MARCH, 1990.**

**TUESDAY,  
6TH MARCH, 1990  
10:16 A.M.**

**MR. PRESIDENT:**

Prayers by the Member for Tourism, Aviation and Trade.

**PRAYERS**

**HON. BENSON O. EBANKS:**

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.

Presentation of Papers and Reports. The Honourable First

Official Member.

**PRESENTATION OF PAPERS AND OF REPORTS**

**REPORT OF THE STANDING BUSINESS COMMITTEE**

**HON. THOMAS C. JEFFERSON:**

the Report of the Standing Business Committee.

Mr. President, I beg to lay on the table of this honourable House

**MR. PRESIDENT:**

So ordered.

**HON. THOMAS C. JEFFERSON:**

time so I am going to make this as brief as I can.

Mr. President, we have all been here in this House for a long

the contents of the discussion at that meeting are attached to the report in the minutes and that towards the end of these minutes the Committee agreed that the Clerk in consultation with the Chairman would arrange the remaining business accordingly.

This is the Report of the Standing Business Committee, Mr.

President.

**MR. PRESIDENT:**

Item 3 on the Order Paper is Statement by a Member of the Government. The Honourable Member for Communications and Works.

**STATEMENTS BY MEMBERS OF THE GOVERNMENT**

**HON. LINFORD A. PIERSON:**

Mr. President, in accordance with Standing Order 30, I wish to make the following statement on Government's contract with Motorola Incorporated in respect to the 800 megahertz communication trunked system. It is important in view of this very large contract that details of it are given to this honourable House. Also, in view of innuendoes made in this honourable House of possible improprieties in the award of Government's C\$2.2 million contract with Motorola, I feel it is appropriate that the following public statement be made of the detailed chronological events leading to the award in order to set the record straight.

In August, 1988, the Government appointed the telecommunications officer, Mr. Chal Shrader, to review, evaluate and recommend a reliable and efficient radio communication system for the Cayman Islands.

In October of 1988 a meeting was held with the Honourable

Financial Secretary and all department heads to discuss plans for Government's communications system.

During the months of October, November and December 1988 the Portfolio proceeded with preliminary designs of an overall communications system. Established criteria for trunked radio, Brac link, and Central Police Station control room design. Special consideration towards a radio system that would provide day-to-day operational needs and also have the capability to serve as an emergency radio network during hurricanes or other emergencies.

In December 1988, a preliminary cost estimate was made for overall Communication System based on equipment cost figures and using "Means Estimating Guide". A figure of CI\$1.2 million was given to Honourable Financial Secretary as the best estimate for a suitable system. Also in December of 1988 the Telecommunications Officer visited Motorola and General Electric Plants to observe radio products and to determine the exact equipment suitable for our needs and to establish a more accurate cost estimate.

In January 1989, a 100 page report entitled "Summary Report - Communications System Master Plan and Trunked Radio System" was made available by the Telecommunications Officer to the Honourable Financial Secretary and Honourable Member for Communications, Works and Natural Resources. This document included detailed information on system concept and design at a confirmed cost of CI\$2.2 million.

In March of 1989, the request for bids was advertised by the Public Tenders Committee. A bid date was set for the 3rd of April and later extended to the 10th of April. Specifications for the Communications System dated 20th of March, 1989 was available on request from the Public Tenders Committee (PTC).

On the 3rd of March, 1989, the Portfolio wrote to the Honourable Financial Secretary requesting approval for construction of the Government Radio Communications System which consisted of four sub-systems: (a) Trunked Radio System, (b) Single-side-band, (c) Radio Relay Link, and (d) Radio Repeater.

On the 23rd of March, 1989 an Addendum to the Specifications for the Government Communications System was included stating: "Government plans to have a communications system operating before the Hurricane season arrives and it is therefore necessary to accelerate the bidding, design and installation process. It is further necessary that manufacturers take a broad approach to estimates for the system requirements in order to expedite their estimating process. It is stressed that this is an urgent project and thus needs contractors with the ability to move quickly on estimating, design and construction. Therefore, bid date extensions cannot be considered". The Public Tenders Committee then advised all bidders of this addendum.

On the 30th of March, 1989 the Telecommunications Officer advised the Principal Secretary of Communications, Works and Natural Resources that a letter had been received from Mr. Jack Hollingworth of Communications Technology Limited stating that he would not be bidding on the proposed Government Communications System because he no longer represented any particular manufacturer.

On the 4th of April, 1989 the Telecommunications Officer wrote to the Public Tenders Committee advising that he had received a phone call from E.F. Johnson Company requesting another extension to the bid date because their local representative, AVCOM, had just returned from a trade show in Las Vegas. This request was denied.

In April of 1989 a 'base bid' for CI\$4,000.00 per month, which was attached, was received from Motorola by both the Public Tenders Committee and Telecommunications Officer. The bid sheet was signed by Mr. Al Siebert of Motorola Inc. as Manufacturer (Contractor) signed by Mr. George Hunter of Island Electronics, their local representative.

The Alternate Bid Proposal was as follows;

(a) In view of the additional antenna installation required on the Northward Tower, this may have an adverse wind loading effect. As an alternative, IEL offers tower space on our 225' self supporting tower located in the Spotts/Newlands area. This offer also includes the following facilities:

- "(1) Use of Hurricane proof equipment room with standby generator and A/C;
- (2) The site of the tower is geographically close to George Town insuring better signal saturation within the City.

The cost for this service will be CI\$2,500.00 per month based on a year contract negotiable.

(b) In the near future we propose to have operational a compatible trunking system. Use of this system can be made available to Government as a back-up in the event of a catastrophic failure.

The cost for this service will be CI\$1,500.00 per month."

**Please note:** On the date this document was signed neither Island Electronics nor any other company had the above tower or facilities in the Spotts/Newlands area. As of this date no such tower or facilities have been erected or built. Mr. George Hunter of Island Electronics notified the Portfolio in February, of 1990 that he had recently purchased a 225 foot free standing tower and same would soon be erected by his new building which is located off Eastern Avenue in George Town, and also advised that he was purchasing a Motorola 800Mhz Trunk Radio Communications System.

On the 12th of April, 1989, the Telecommunications Officer



advised the Principal Secretary Communications, Works and Natural Resources that he had agreed to sit with the Public Tenders Committee during the bid opening to provide technical assistance when reviewing the bids submitted.

On 17th April, 1989, the Portfolio advised the Public Tenders Committee that the bid package submitted by Motorola had been reviewed for compliance with the specifications and recommended that Motorola be notified as the Contractor selected of the Trunked Radio and HF/SSB Radio System Construction and Installation and also notified that Government elected to accept their proposal.

On 5th of May, 1989, the Portfolio submitted the Proposed Communications system to Executive Council for approval. The Paper was deferred and it was agreed that the Elected Members would discuss the financial and technical aspects of the proposed communication system with the Honourable Financial Secretary and the Honourable Administrative Secretary. The Paper would then be returned to Council and the Telecommunications Officer would be requested to attend the meeting and give technical advise on the matter.

On 9th of May, 1989, Executive Council met and discussed the matter. The Acting Financial Secretary informed Council that a sub-committee of the National Hurricane Committee had been formed, (membership included the Co-Ordinator of the National Hurricane Centre and the Telecommunications Officer) to consider communications system(s) in relation to the plan. The sub-committee felt that a sum of money should be identified for acquisition of communication equipment on a short term basis until the long term plan materialised.

The Honourable Member for Communications, Works and Natural Resources presented the views of the Portfolio, that any communication equipment purchased should be in accordance with the Telecommunications Officer's recommendation to assure compatibility with the proposed centralised system.

Council subsequently advised that the matter should be referred to the Radio Advisory Committee together with the respective Heads of Departments on an evaluation of the proposals from the Telecommunications Officer and that their recommendations be brought back to Council for decision within four weeks. Recognising the urgency of having in place an emergency system for the up-coming season, it was recommended that the National Hurricane Sub-committee should be asked to provide justification in support of expenditure for the rental of equipment, pending a decision on the report from the Radio Advisory Committee on the Central Trunk System.

On July 11th, 1989, the Honourable Administrative Secretary informed the Honourable Executive Council that he had telephoned the Chairman of the Dade County Committee for the Sister City Agreement who had advised that the written request for assistance was receiving urgent attention.

Council felt that the compatibility of the proposed priority communications system with the Motorola trunking system should be determined and if so, an early decision should be taken to ensure placement of a communications system in event of a hurricane.

On the 12th of September, 1989, Mr. John McHugh, manager for Telecommunications for Dade County Florida visited the Cayman Islands to review the Telecommunications Officer's report as a result of a request made to the sister city programme by the Honourable Administrative Secretary. Mr. McHugh met with members of my Portfolio and heads of the relevant departments to discuss the telecommunications proposal.

On 18th of October, 1989 the Executive Council considered the information in the draft report prepared by John McHugh, Manager Transmission Systems, Metropolitan Dade County and agreed that the report should be sent to the Public Tenders Committee for consideration. The Honourable Financial Secretary thought that insufficient funds (for 1989) may have been the deciding factor for the delay in tender award for the equipment.

Originally it was proposed to transfer the old VHF equipment from Grand Cayman to Cayman Brac. However, Mr. McHugh advised that this should not be done and recommended that a repeater be installed on the Brac using an 800 MHz frequency. This would allow personnel from Grand Cayman to use their radios on the Brac when they are on the Island during routine visits or during an emergency and vice-versa. This would help in standardising the radios and would reduce the number of spares to be kept to support the entire system. A 150 foot tower was proposed to be built at the site of the Aston Rutty Centre with an equipment shelter to house the repeater and a standby generator. The repeater should be equipped with a telephone interconnect, according to Mr. McHugh, which would connect a phone line to the repeater, allowing the Police personnel to receive emergency calls when they are away from the station. A VHF marine antenna should also be installed on the tower and connected to the radio inside the Centre. The tower to be used at this site could possibly, be the one in use at the Faith Hospital. (It is thought that a feasibility study could be carried out to see if it would be cost-effective to move, or if it would be cheaper to install a new one.) Further, the HF/SSB (single-side band) radios in both the Brac Police Station and the Aston Rutty Centre should be replaced with units that have greater flexibility and ease of operation. During the discussion the Honourable Administrative Secretary raised the point mentioned in the report about a standby generator at the Aston Rutty Centre site, Cayman Brac (one is already in place) and noted that the communications equipment for the National Hurricane Committee was not addressed in the report.

On 30th of October, 1989, the Portfolio wrote to the Chairman of the PUBLIC TENDERS COMMITTEE to inform that the Honourable Executive Council had accepted the report submitted by the Consultant from Dade County, a copy of which was attached for necessary action.

On the 20th of November, 1989, the Portfolio received a complimentary card from the Commissioner of Police signed by Chief Inspector, Buel Braggs, which stated - "Mr.

Tatum, this is equipment which was approved by the Honourable Financial Secretary. Could you arrange for the deposit to be paid as stated." Attached was Island Electronics Invoice for the Police Department R/T Equipment for a total amount of \$168,646.00, deposit of 50 per cent of Invoice - \$84,323.00.

The Portfolio telephoned the Commissioner of Police referring him to memorandum dated 18th of November, 1988, from the Honourable Financial Secretary which stated 'all Government Department are notified that all radio purchases must be co-ordinated through the Telecommunications Officer to assure compatibility with the proposed trunk radio system and to prevent unnecessary expenditures on radios that will become obsolete when the trunk system is installed'.

The Commissioner of Police then replied by memorandum dated 22nd November, 1989, that the necessary authorisation by the Honourable Financial Secretary and the Deputy Financial Secretary had been received and were attached and requested that the 50 per cent (C/\$84,323.00) deposit be released to enable him to purchase the equipment.

On 22nd November, 1989 the Portfolio telephoned Mr. John McHugh requesting assistance on equipment to be purchased by the Police Department. Mr. McHugh advised the Portfolio that equipment was not compatible with the proposed Motorola 800MHz Smartnet Trunked System.

Please note: That the Portfolio of communications, Works and Natural Resources was not advised by the Police Department of any negotiations for communications equipment from Island Electronics, also this matter was not taken to the Public Tenders Committee for their consideration or approval, even though the Police Department placed an order for equipment valued at C/\$168,646.00, and the Portfolio did not make a request to the Finance Department for payment of C/\$84,323.00 which was 50 per cent of order placed by the Police Department.

On 27th of November, 1989, the Portfolio met with the Financial Secretary, the Deputy Financial Secretary, the Deputy Commissioner of Police, Chief Inspector Buel Braggs, Inspector Donald Watler and Mr. George Hunter of Island Electronics to discuss the order placed by the Police Department. The Portfolio explained that the Report Analysis of the Proposed Motorola 800Mhz Trunk Radio System had been accepted by the Honourable Executive Council and same would be discussed by the Public Tenders Committee who were then scheduled to meet on the 8th of December, 1989. The Portfolio explained that equipment ordered by the Police Department was incompatible with this system and same would become obsolete if Government were to purchase the 800MHz system and thus have to be written off at a substantive loss to Government.

The Portfolio then enquired from the police officials if there were any urgent police matters that made equipment on order a necessity or if their department could wait until the outcome of the Public Tenders Committee meeting. Deputy Commissioner of Police explained that the Commissioner was off the Islands on official business and that neither he nor any of the other Police officers knew of any urgent operation that would warrant the immediate purchase of this equipment.

Mr. George Hunter of Island Electronics was requested to cancel the order and return the cheque for \$84,323.00 in respect of 50 per cent deposit which had been made payable to him by the C.I. Government the previous week, without the knowledge of the Portfolio.

On the 5th of December, 1989, Mr. George Hunter telephoned the Portfolio and advised that the cheque would only be returned to Government if the Portfolio guaranteed him in writing of the following:

- 1) The contract for Motorola Trunk Radio System would be placed through Islands Electronics;
- 2) That he be invited to the Public Tenders Committee meeting on December 8th, 1989 with Mr. John McHugh; and
- 3) That Government pay for all equipment already on Island and any additional costs incurred by Islands Electronics in cancelling this order.

The Portfolio telephoned the Principal Crown Counsel seeking legal advise in this matter. All relevant documents were forwarded to the Legal Department for immediate action. The Principal Crown Counsel wrote to Mr. Hunter demanding that this money be refunded to the C.I. Government no later than 11th of December, 1989.

Island Electronics refunded the money on 6th of December, 1989 with a covering letter which is available for scrutiny by this honourable House. The Principal Crown Counsel replied to Mr. Hunter's letter on 19th of December, 1989 a copy of which is also available for scrutiny. The Portfolio wrote to the Honourable Financial Secretary on the 7th of December, 1989 advising that due to the fact that the Telecommunications Officer had previously resigned in September without notice, this had created a void which had not been filled, although steps had been taken to find a replacement. It was further stated that should the trunking system be 'green-lighted' an advisor would have to be retained to provide advice on the system, negotiate the contract and oversee construction, installation and commissioning as well. As a new replacement for the Telecommunications Officer was not expected to be in post until late in the first quarter of 1990 the advisor would have to be secured on an open-ended arrangement. This would allow a handing over of transitional period between the consultant and the Telecommunications Officer. Having spoken with Mr. McHugh about the possibility of securing his services on such a basis for this project, should it come to fruition, he indicated his willingness to undertake the assignment on a weekend basis.

On the 8th of December, 1989, Mr. John McHugh and the

Portfolio were invited to the Public Tenders Committee to discuss the Motorola bid for the Proposed Trunking System. The Chairman gave a brief re-cap concerning Government's contract with Mr. McHugh and Metro-Dade. An extract from the minutes of Executive Council was referenced to show that further technical advice had been desired in order to determine whether such a sophisticated system was needed (the matter had been referred to Executive Council by the Public Tenders Committee in April 1989, as the Public Tenders Committee did not wish to award a contract which was not backed by the necessary funds.) There was apparently only \$1.2 million in the 1990 Budget for the system, and it would not be sensible for the Public Tenders Committee to commit to a project which could not be completed. Mr. McHugh was then asked to brief the Public Tenders Committee on the trunking system, in connection with the evaluation report he had done on it, at Government's request.

Mr. McHugh endorsed the Motorola proposal subject to certain changes and also recommended that consideration be given to upgrading from a prefab fibre-glass building to a concrete building as proposed in the existing Motorola bid, and further that the communications tower at the Prison be structurally evaluated prior to committing it to the trunking system.

The Chairman of the Public Tenders Committee reiterated that the pivotal issue for the Public Tenders Committee (PTC) was funding for the project, and it therefore appeared that the Portfolio had more work to do in ensuring that finances were available if they wanted the project to come to fruition. The last written communication on the PTC's file was basically that Government was not willing to commit \$2.2 million to the trunking system until it was satisfied it was necessary.

In order for the Public Tenders Committee to be able to act, it needed to know that funds were available; no decision on the award of contract could therefore be made at this stage. It was further noted that Motorola's original bid would need revising based on Mr. McHugh's report, which had been accepted by Executive Council and it was not yet known what cost implications this would have.

Immediately after the meeting with the Public Tenders Committee the Honourable Member for Communications Works and Natural Resources (CW AND NR) was briefed and arranged a quick meeting with the Honourable Financial Secretary and Mr. John McHugh at the Legislative Assembly building.

The Honourable Financial Secretary advised the group that full funding for the proposed Communications System would be made available. He stated that the \$1.25 million in the 1990 Budget was in addition to the \$1.25 million in the 1989 Budget. He also said he would notify the Chairman of the Public Tenders Committee of same and advised the Portfolio that negotiations with Motorola should be completed as soon as possible and a deposit should be paid to Motorola before the 31st of December, 1989 due to the fact that a re-vote for the amount in the 1989 Budget may not have been possible.

On the afternoon of 8th December, 1989, the Chairman of the Public Tenders Committee invited the Portfolio to another meeting and explained that the reason for reconvening was that he had been verbally advised by both the Honourable Member for CW AND NR and the Honourable Financial Secretary that full funding for the Proposed Communications System would be made available. It was decided to convey to this Portfolio that the Public Tenders Committee was reasonably satisfied that the Motorola proposal was fundamentally appropriate, both technically and financially, and therefore the Portfolio was to be authorised to negotiate final design and cost with Motorola (the only bidder) as the intended contractor for the trunking system. The revised firm proposal was then to be re-submitted to the Public Tenders Committee for consideration.

On 11th of December, 1989, Mr. Rob Beckmen, Regional Sales Manager for Motorola of their Central America Communications Sector, Latin America Operations, wrote to the Portfolio attaching Motorola's response to the tender bid dated 3rd of April, 1989. He informed that the proposal was outdated and the quotation expired but that it was Motorola's intent to respond to our requirement with another complete proposal within a few days. This proposal would stay within the dollar confines of the aforementioned proposal.

On the 20th of December, 1989 a letter of intent to enter into a contract with Motorola was signed by the Principal Secretary CW and NR and Mr. Rob Beckman, Regional Sales Manager of Motorola. This letter recorded Government's intention to enter into a contract with Motorola for the engineering, furnishing and installments of a Motorola 800MHz Smarnet Trunk Communications System, based on Motorola's proposal dated 3rd April, 1989, subject to such subsequent amendments as are agreed between Government and Motorola, for a price not exceeding C\$2,285,169.25 (US\$2,720,439.58). The payment of C\$1 million was made by Government to Motorola upon delivery of that letter.

On 21st of December, 1989 a Consultation Agreement was signed between the Government and Mr. John McHugh. It stated Government's Consultant would perform all communication engineering and consulting services desired by the CLIENT. These services shall include, but not be limited to, project management, contract negotiation, telecommunications system engineering, proposal writing, system research and other technical services, as specified by the client. Services shall be performed on a time and material basis and CONSULTANT shall use his best effort to perform all assigned work.

On the 11th of January, 1990, Mr. John McHugh and the Portfolio met with the Commissioner of Police and the Chief Fire Officer to further access their communication requirements.

On the 12th of January, 1990, Mr. John McHugh and the Portfolio met with the Executive Architect of the Public Works Department regarding the Proposed Communications Bunker at Northward.

On the 12th, 13th and 14th of January, 1990, the Portfolio met with Mr. John McHugh, Government's telecommunications consultant; Ms. Sian Jennings, legal Consultant and Motorola's representatives to finalise the Motorola contract at their office in Fort Lauderdale, Florida for further

discussion on this matter.

On 26th January, 1990, the Portfolio met with Mr. John McHugh, Government's Telecommunications Consultant, Motorola representatives at their office in Ft. Lauderdale, Florida for further discussion on this matter.

On 31st of January, 1990, the Portfolio met with Mrs. Sian Jennings to discuss the Motorola contract.

On 5th February, 1990, in a meeting with the Honourable Financial Secretary (Government's representative) and Mr. George Hunter and Mr. Arthur Hunter (representing Island Electronics) the Government confirmed that there was no animosity against Island Electronics Limited as allegation of such had been made. The Portfolio stated that Motorola had assured them that Island Electronics was still their local representative and they intended to subcontract most of the installation to their company, also Government would continue their maintenance contract with Island Electronics until such time as the new Motorola Trunk became operational.

On 8th of February, 1990 the Government officially signed a C\$2.2 million (US\$2.7 million) contract for the provision of a state-of-the-art, turn key telecommunications system with the Motorola Incorporated of America.

On the 12th of February, 1990 the Chairman of the Public Tenders Committee notified the Portfolio that the final proposal should have been submitted to the Committee for approval before signing of contract.

In memorandum dated 12th February, 1990 from the Portfolio to the Chairman Public Tenders Committee the Portfolio apologised for the procedural oversight in not re-submitting the proposal from Motorola Incorporated.

On the 19th of February, 1990 the Portfolio was called to the Public Tenders Committee to provide an explanation of terms of reference of the Government's Telecommunication Consultant's Contract. It was explained that the Terms of Reference were drafted in a manner to take into account the fact that Government presently has no qualified Telecommunications Officer in post. Therefore, any technical information required by Motorola could be provided by Government's Telecommunications Consultant Mr. John McHugh.

In article 2 of the Consultation Agreement of 21st of December, 1989, it is stated that Government's Consultant will perform all communication engineering and consulting services desired by the CLIENT. These services shall include, but not be limited to, project management, contract negotiation, telecommunications system engineering, proposal writing, systems research and other technical services, as specified by the CLIENT. Services shall be performed on a time and material basis and CONSULTANT shall use his best effort to perform all assigned work.

In accordance with this clause this covers the below mentioned

Articles of the Motorola Contract:

"As stated in Article 13.1 of the Motorola contract all documents which are submitted to the Government and to which Motorola requests the Government's approval, shall be reviewed and approved by the Government in a timely manner as agreed upon by both parties. In the event that the Government is unable to provide approval for any document within the time frame requested, the Government shall notify Motorola in writing when the approval may be expected. The failure of the Government to give approval in timely manner shall entitle Motorola to relief in accordance with the provisions of Article 26.

Article 22 states that Motorola reserves the right before acceptance of the Contract Materials to make such modification or alterations at its own expense as Motorola deems desirable with the limitations that the specification performance of the Contract Materials and the System shall not be degraded. This shall include changing equipment to equal or better quality products than those specified in Appendix "A". Amendments to any aspect of this Contract shall be made in writing as contract change orders or each party, defining the amendment, price change (if any), effect on delivery, and performance of the System.

Article 30 states that except as may otherwise be provided in this Contract, any dispute concerning any question arising under this Contract which is not disposed of by agreement shall be decided promptly by the Government, who shall furnish to Motorola a written copy of its decision."

The Public Tenders Committee also voiced their concern that the name of a local representative was not included in the Contract with Motorola, as was done in the original proposal of 1989. The Portfolio informed the Committee that they had been advised by Motorola that it is their policy to handle all contract negotiations in excess of \$1 million directly with the customer or potential customer, particularly when the potential customer is a Government entity.

When one considers the complexity of such a contract or agreement, when one considers the obligations and responsibilities that such a contract or agreement places on both parties, it is understandable that Motorola handles all negotiations for such an agreement directly with the customer or potential customer.

Motorola Inc., also advised that Island Electronics Limited is the

sole representative for Motorola Communications Sector products in the Cayman Islands. Motorola Communications Sector products include but not limited to the Motorola trunk communications equipment that are included in Agreement No. CGTS489ASIL.

As indicated previously, Motorola intends to subcontract the installation of the System and the warranty of the contract materials that is covered by said Agreement with Island Electronics Ltd., George Town.

It was an oversight of the Portfolio in not re-submitting the revised proposal to the Public Tenders Committee, however as has been demonstrated, the Portfolio has advised the Public Tenders Committee at regular reporting intervals during 1988 through 1990 when the contract was signed.

In summary, Mr. President, I wish to bring to the attention of this honourable House the following:

- 1) In March of 1988 the request for bids was advertised by the Public Tenders Committee.
- 2) On 17th April, 1989 the Portfolio advised the Public Tenders Committee that the bid package submitted by Motorola had been reviewed for compliance with the specifications and recommended that Motorola be notified as the Contractor selected for the Trunk Radio and HF/SSB Radio System Construction and Installation and also notified that Government elected to accept their proposal;
- 3) On 30th of October, 1989 the Portfolio wrote to the Chairman of the Public Tenders Committee to inform that the Honourable Executive Council had accepted the report submitted by the Consultant from Dade County, a copy of which was attached for necessary action;
- 4) On 8th of December, 1989 Mr. John McHugh and the Portfolio were invited to the Public Tenders Committee to discuss the Motorola bid for the proposed trunking system; and
- 5) On the afternoon of 8th December, 1989 the Chairman of the Public Tenders Committee invited the Portfolio to another meeting and explained that the reason for reconvening was that he had been verbally advised by both the Honourable Member for Communications, Works and Natural Resources and the Honourable Financial Secretary that full funding for the proposed Communications System would be made available. It was decided to convey to this Portfolio that the Public Tenders Committee was reasonably satisfied that the Motorola proposal was fundamentally appropriate, both technically and financially, and therefore the Portfolio was to be authorised to negotiate final design and cost with Motorola (the only bidder) as the intended contractor for the trunking system. The revised firm proposal was then to be re-submitted to the Public Tenders Committee for consideration.

The only two irregularities that may have occurred during these negotiations are as follows:

- 1) The Portfolio not re-submitting the final revised proposal to the Public Tenders Committee as requested before the signing of the contract between Government and Motorola on February 8th, 1990; and
- 2) The order placed by the Police Department with Island Electronics Limited for Communication Equipment for the amount of CI\$168,646.00 was not sent to the Public Tenders Committee for approval. However, this order was cancelled by my Portfolio. Also, as stated earlier this order was approved without the knowledge of my Portfolio.

I trust that the foregoing has served to provide Members of this honourable House with a chronological sequence of events relating to the negotiations and award of the Governments Communications Trunk System to Motorola Incorporated and will put to rest speculations in this matter.

Thank you.

**MR. PRESIDENT:**

We move on to item 4 on the Order Paper, Other Business. Private Members' Motions. The House will continue the debate on Private Member's Motion No. 8/90. The Honourable First Official Member.

## **OTHER BUSINESS**

### **PRIVATE MEMBERS' MOTIONS**

#### **PRIVATE MEMBER'S MOTION NO. 8/90**

**HON. THOMAS C. JEFFERSON:**

Mr. President, I do not think I need to take issue with any of the points made by the First Elected Member for Bodden Town or the Chairman or the Public Accounts Committee. His comments were on subjects such as advanced accounts, land exchanges, the new community college, internal

audit and charges for private medical practitioners use of the hospital facility.

I think that the comment made in respect to advanced accounts in which he says the balance thereof the \$5.3 million in advanced accounts appears too large. I think that we can certainly look again at these advanced accounts. There has been an ongoing historical trend as to how we handle loans that are made with the Caribbean Development Bank in that the loan agreement requires the Government pays first and then claims from the Caribbean Development Bank. In some cases the claim is not forthcoming or received within the same year, in which case the way we have handled the accounting traditionally is to leave it in the advanced accounts until the sum is received and then cleared to the respective vote in the estimates. This presents a bit of stability in the way that we have been accounting (in that we do not have a wide fluctuation of huge surpluses, or maybe a slight deficit) as a result of treatment of this particular item. We can look again and perhaps make some modification in the way we deal with it.

With respect to the internal audit section which is to be established in the Treasury, I think what was said in the Government Minute and allow me to read it, Mr. President;

"It is the view of the Government that the internal audit section should be established as an independent section be answerable to the Accountant General with independent access to records to the Financial Secretary as he can provide the impartiality which is needed by the auditors when dealing with all the Government Departments."

I would suggest that we try it that way. If it does not work, we can change it. But internal audit, prior to having our own Auditor General Department, Internal Audit normally reports to the Financial Secretary. I think the system that we are proposing does allow that to continue, but mindful of the fact that the day-to-day operations of an internal audit which is going to be somewhere near to the Treasury, someone needs to be providing day-to-day oversight on this. I think the system we are proposing, may be the answer. Let us try it and see.

Thank you, Mr. President.

**MR. PRESIDENT:**  
to reply?

Does any other Member wish to speak? Would the Mover wish

**MR. ROY BODDEN:**

Thank you, Mr. President.

I am happy to say that there are no outstanding issues of contention between us. This is a very challenging and difficult undertaking, especially when it is handled by people with no professional background in accounting and finance management.

It is safe to say that the recommendations of the Public Accounts Committee and the acceptance by the Government can only serve to make this kind of work in the future (by people with no professional understanding of these matters) easier and more readily acceptable.

It is important to the Public Accounts Committee because as mentioned previously we take the position of accountability seriously. It is important for our country when people who have interest and desires to pursue these kinds of matters see that we have not only a professed open straight forward and honest system, but a proven one which is accepted by Government and Backbench alike.

In conclusion might I say that this gives the Public Accounts Committee inspiration to continue to work on their high objectives and lofty ideals. While the work of the Report was not easy and indeed sometimes tedious and difficult, we are inspired to continue.

Thank you.

**MR. PRESIDENT:**

We shall now put the questions on this Motion.  
Those in favour please say Aye...Those against No.

**AYES.**

**MR. PRESIDENT:**

The Ayes have it.

**AGREED: PRIVATE MEMBER'S MOTION NO. 8/90 PASSED.**

**MR. PRESIDENT:**  
Bodden Town.

Private Member's Motion No. 3/90, the First Elected Member for

#### **PRIVATE MEMBER'S MOTION NO. 3/90**

#### **THE INTERNATIONAL COLLEGE OF THE CAYMAN ISLANDS**

**MR. ROY BODDEN:**  
say this, a noncontentious issue.

Mr. President, I dare to suggest that this is, and I am happy to

**MR. PRESIDENT:**  
to move it are you?

Sorry, you should move it before you speak to it. You are going

**MR. ROY BODDEN:**

Yes, Sir.

Motion No. 3/90 entitled the International College of the Cayman Islands.

**"WHEREAS** the International College of the Cayman Islands (ICCI) is an institution of education operating in the Cayman Islands;

**AND WHEREAS** a number of Caymanians study at this institution;

**AND WHEREAS** both the public and private sectors employ persons who have graduated from this institution;

**BE IT RESOLVED THAT** Government in collaboration with the authorities of this Institution establish a Committee of qualified persons to assess and evaluate this Institution with a view of advising the Government upon its appropriate place in the provision of education in these Islands.

**AND BE IT FURTHER RESOLVED THAT** when this Committee has so advised the Government and the Government has decided upon the advice that Government consider providing financial incentives to ICCI either through scholarships to Caymanian students or through outright grants or both.

**AND BE IT FURTHER RESOLVED THAT** Government if and when it is satisfied as to the standards and the accreditation of this Institution authorises to issue degrees and matriculation certificates signifying such authority, if necessary introducing Legislation for the purpose."

**MR. GILBERT A. McLEAN:**

Mr. President, I beg to second the Motion.

**MR. PRESIDENT:**

Private Member's Motion No. 3/90 has been duly moved and seconded. I suggest we take the tea break before asking the Mover to speak.

Proceedings are suspended for 15 minutes.

**PROCEEDINGS SUSPENDED AT 11:12 A.M.**

**PROCEEDINGS RESUMED AT 11:48 A.M.**

**(Hon. Thomas C. Jefferson in the Chair)**

**MR. PRESIDENT:**

Please be seated.

The House has resumed. The First Elected Member for Bodden Town speaking to his Private Members' Motion No. 3/90, the International College of the Cayman Islands.

**MR. ROY BODDEN:**

Thank you, Mr. President.

In a little precedence setting preamble prior to moving the Motion, I had stuck myself out on a limb by daring to suggest that this was a non-contentious issue. I believe that I am still safe in standing by that.

I have discussed this with the Honourable Member for Education and while in our cursory discussion we may not have seen exactly eye to eye, I believe that my readings were that the Motion was not, indeed, unpalatable to him and I am looking forward to his address on how he thinks we can achieve what we should do.

I am reminded of a quotation from T.S. Eliot which is relevant, I think, in this case, it states that a nation's system of education is much more important than its system of government. Only a proper system of education can unify the active and contemplative life, action and speculation, politics and the arts."

It would not make sense to be without a proper system of education much really would not make sense. I am not suggesting that because we have the facilities and the resources of a college on our Island that everyone should become a college graduate or will want to become a college graduate. Rather I am suggesting that if the services and the resources are available then certainly, we should try to structure things in such a way that those who have a desire and who display the aptitude and the ability to make use of these resources can have the access and opportunities to do so. I am not going to be long in this introduction. And I only want to say that I got this idea because while I am not a graduate of the college I have knowledge of its inception. Indeed it is still humble, from humble beginnings. But many great institutions have arisen from humble beginnings. It is not only those institutions who are able to lure or hire respected and world famous academics which serve purpose, but rather those who have humble beginnings with people who labour long and hard to impart knowledge and discipline to the students.

I have been, since 1982, an adjunct faculty member of the ICCI and it has potential in my estimation. There are areas which readily fit into the Caymanian mainstream and perhaps these are the areas the Government would like to see developed further. Business education, the possibility of developing some kind of teacher training facilities, and certainly the granting of degrees in the liberal arts and the

humanities. It is interesting to note from the list of graduates that there are approximately 46 people who are now or have been employed by the Cayman Islands Government. Indeed, I remember in some of the sociology classes which I taught, there were some students who were sent there by the Cayman Islands Government. By that I mean that the Cayman Islands Government was assuming financial responsibility for those students.

So I think that this is one area, and especially in light of the fact that tertiary level education is becoming increasingly more expensive. Maybe about a year ago I was reading that in the United States not only are the private colleges and universities going through a period where tuition fees are skyrocketing, but even the state sponsored and state supported universities, particularly the larger ones, have to hike the fees to such an extent that many people are becoming concerned that tertiary level education is becoming out of reach of many people who are deserving and who could make use of such an education. Another important point with respect to the development of this Institution in the Cayman Islands is that we have now gained the reputation for sophistication and efficiency in the field of international Finance. I believe that we are one of the top five financial centres in the world. The presence of such an institution can only help us develop the kind of potential and the kinds of personnel needed to maintain this sophistication and to maintain our reputation as a top financial centre. So I believe that it will be an investment and an effort which will yield its return many times over.

I would like to spend some time addressing what may be seen as a delicate issue. The Government has embarked on a significant venture in the development of its community college and that is, indeed, a credible effort and one which I give the Member for Education, Recreation and Culture the greatest commendation and support. One could therefore pose the question: How will the existence of the ICCI compliment or fit in with the development of the Government community college? Might this not necessarily mean a straining of resources? Well, as a professional let me suggest first that the two institutions are not one and the same. Indeed, they are complimentary and I would stress that they be developed to compliment each other. I suggest that great advantages and opportunities can be had from sharing resources. Even although the physical sites of the two institutions are a little ways apart. In those two institutions we have the best of both worlds, because the community college is developed along the lines of the British system of education. The International College of the Cayman Islands offers the American bias towards education.

As an academic, try to put to rest any notion of the superiority either of these systems. May I respectfully suggest to you that both the British system and the American system have advantages. Usually what happens in academic circles is judged is on the merits of someones degrees and grades. For example, a Bachelor of Art is a Bachelor of Art, whether it was obtained at a British University or an American University. What makes the difference is that if one has an honours BA and one has an ordinary BA then there is a difference. Within the honours system there is first class, second class and third class honours. But for example, I am the product of a Canadian University and I have a Bachelor of Arts in Sociology. If you came from a British University with a Bachelor of Arts and some one had to assess the qualifications when you presented your BA (and I presented my BA) we each would have the same qualifications. The difference would be when they viewed the transcript. If my average was a 'C' and yours was an 'A' then clearly you have the advantage. But for the fact that you graduated from a British University and I graduated from an American University the criteria is not on that basis. It is rather on the basis of your grades. So one cannot say because a college teaches with an American bias is inferior or because a college teaches with a British bias is inferior.

From my experience that a combination of both systems is very good. The British, by and large, depends on a final exam. The American system takes into consideration a number of things; your performance in the final exam is but one, you are graded on a series of papers you are required to present, oral presentations, etcetera. The argument could be laid, if I am a good student, and this happened to my best friend and I have a nervous breakdown during the exam, how am I going to come off. I was an honours student. My best friend was in the same group. I got a 'B' average. He got 'Ds' because he had a nervous breakdown during the final exam. I am suggesting to you in the American system he would have faired well because consideration would have been given to his course work throughout that year. As a result of that, the young man spent three years at a University and graduated with a matriculation certificate that was no good.

So the prejudice is in the eye of the beholder rather than in reality. I suggest there is nothing wrong with the community college and the International College of the Cayman Islands developing together. I believe that with educational institutions, as with much else in life, the one which is superior will rise to be the most popular.

What the Motion is asking for is not for a great endowment. But rather it is asking for the Government to examine the feasibility, the possibility in a developing Cayman, in a Cayman where we hope many of our young people can exercise the aptitude and the desire to pursue tertiary level education. Then they can easily and more orderly fit into our society and avail themselves of the opportunities and the spin-offs of banking, tourism, construction and whatever other developments. I am suggesting too, that it could be, as the evidence indicates, a great training ground for the Civil Service, particularly in office management, secretarial sciences and as a beginning to some of the more specialised fields in management and accounting.

The institution has now been in existence, this fall - 20 years. May I make the analogy, if it was a baby from inception and birth and we were now in the 19th bordering on the 20th year, it would be reaching the age of maturity. It would be time for it to strike out on its own to be a man or a woman. I am saying it is time that this Institution be accepted as such. It has demonstrated by its very existence that it can cope. Its limitations are that it does not have the financial resources to lure for lengthy periods top level academics or administrators who can set up impressive programmes and draw a ready pool of students that would bring it instant recognition. That is not necessarily a disadvantage for the college caters mainly to Caymanian students.

What the Motion is also asking for is that the Government assess it as to its academic merits and if it is satisfied then the Government, even if it has to create a statutory



authority, do so and enable that authority to authorise the certificates, degrees and matriculation awards by simply saying these standards are set and recognised by the Government of the Cayman Islands. Believe you me, that as seemingly insignificant as that is, it will make a world of difference.

First we have to seek internal recognition and that is all the Motion is asking for so that the Government and the private sector of the Cayman Islands can recognise the matriculation certificate and awards of the college. We are not worrying about competing with institutions in Florida or anywhere else. As I understand it the Institution is already accredited as a senior college by the Accrediting Commission of the Association of Independent Colleges and Schools in Washington D.C. So we here are not overly concerned about that.

What we are concerned about is that the Government can agree with the authorities to set some standards that the Government of the Cayman Islands can say that when you award a B.A. in these studies, we recognise them. Then by inference the private sector will also be encouraged to do so. I understand that the private sector as well as the Government makes great use of the facilities.

I would suggest to you also that many of our students who now go abroad for their university education may want to avail themselves of a part of that education at the ICCI. And I am suggesting that in the younger and the more malleable students, this will be advantageous in the sense that by the time they have reached that level or position where they wish to specialise in, for example, accounts, business management, economics they will have had a good grasp of what those disciplines will entail. Also, they will have experienced an idea of what college life and institutional life means because, Honourable Members, when you go to a university, it is not like a high school. Nobody wakes you up in the morning and tells you it is 8:00, you have to catch the bus. You attend classes if you feel like attending. The professors will tell you point blank they are getting paid to teach in that class, whether or not you are there is immaterial to them.

I am suggesting that in Cayman many times our students are at a disadvantage because we live in a very small place. I attended Syracuse University. The student population is larger than the population of these Islands. Nobody comes to tell Roy Bodden it is time to go to class. They do not care whether you go to class or not. So if we have such a facility here, we can use this as a jumping ground and it does not preclude (and I would certainly not encourage it). I would not be true and faithful if I would say if a student wants to go to a university in the United States he or she should not have that opportunity just because we have one here. Education in its widest sense, means a broadening of experience. So because we have an institution here that has developed to the college level, does not mean that we should stop sending students abroad. It cannot work that way because ICCI will never be able to offer all of the courses and all of the disciplines which our students may wish to study. It is a starting point. It is a starting point too from the mere fact that if you take the purely dollars and cents issue of it. I suggest that the argument can be made that we can save on some foreign exchange. The money will be here. It will circulate more easily. It will be easier for the education department and the Education Council to monitor the progress of the students whom they give these scholarships to. We can develop programmes where there is a combination of work and study. I believe that there is, already accepted by this House, some form of apprenticeship scheme. It will be an ideal training ground for the public sector and the private sector in fields such as accountancy and business management where the trend is to combine theory with what actually happens in the office from day to day.

In bringing this introduction to an end, may I, in conclusion, suggest that sometimes people are satisfied with the very fact that they have the opportunity if they so wished to exercise it, to pursue their ambitions and their objectives. I believe in the maxim of Epictetus, that only the educated are free. And let me say what I mean by that. I believe that the future of the Cayman Islands, as a small (population wise), nation, lies only in the dissemination of an education where those who desire to pursue it to the 'sixth' level can do so or those who desire to pursue it only to the level of their economic convenience can do so. I believe and I would hope that I am spared to see the kind of society where our people can educate themselves to the level at which they are truly comfortable to participate in what our society has to offer. I believe that is the key to economic stability. I believe that is the key to political stability and I certainly know it is the key to social stability.

Thank you.

**MR. PRESIDENT:**  
Education.

Does any other Member wish to speak? The Member for

**HON. BENSON O. EBANKS:**

Mr. President, Government accepts that ICCI is an education institution operating in the Cayman Islands. It is also accepted that up until now the college has been operating without adequate government licenses or accreditation. It is further accepted that this situation should be corrected as early as possible. However, the Government is of the opinion that the assessment and evaluation of this institution as requested in the Motion should be undertaken by or through the Education Council which is established by the Education Law, 1983, and is charged by the said Law to promote education in the Islands and the progressive development of schools within the Islands in accordance with the Education Law.

Section 3 of the Education Law establishes the Education Council and bestows upon it the duty to promote education in the Islands and the progressive development of schools in accordance with this Law.

Section 6(1) of the Law states:

"The school system shall be comprised of such Government or Private Schools as may from time to time be found necessary by the Council for the efficient carrying out of responsibilities of the Council and may include: -".

and it starts "infant or nursery schools or departments of schools providing pre-primary education..." and goes on and names all of the other levels of schools and (H) lists universities, colleges and institutes of higher education or learning. So it can be seen that this institution is covered fairly and squarely by the Education Law.

Section 31 and 32 indicates that a register should be kept of all private schools and that without the proper registration no private school shall be carried on.

Section 33, states the quality or standard of education to be achieved by those private schools and it reads: "(1) Private schools shall achieve and maintain the minimum quality and standards of education and of teachings as follows:" The Mover having pointed out that this college operates under the American system of education, I will merely quote the section which would apply to that institution. That is: "(b) In schools where the United States of America system of education is sustained, taught or adhered to then the standard shall approximate to that of a similar good school in that country." Remember throughout where we read school, we can substitute university or college. Finally section 34, in fact, gives the Education Council power to close private schools in certain instances.

With regard to the grant of scholarship and grants of money, this would be covered under section 4 of the Law which provides: "In furtherance of the duties and responsibilities of the Council it may from time to time from public funds appropriated for the purpose: -", and the relevant parts would be:

"(vi) provide from public funds for the pursuance of tertiary education having regard for the desirability and relevance of such further study; and

(vii) provide loans or grants or both to private schools;"

So the Education Law will facilitate totally what is asked for in the Motion.

It can be seen that the Education Council is charged with the responsibility for the areas which the Motions seeks to address. It seems to me to be wholly and totally undesirable to have another Committee established, as sought by the Motion, to do something which the Education Council is made responsible for by the Education Law.

I agree with the Mover that the Motion in the final analysis is not contentious. I suggested to him that the Motion should perhaps have been amended in such a way as to request that the actions sought by the Motion be taken by the Education Council and Government could then have accepted the Motion without reservation.

However, the Mover did not accept the advice and do the amendment as I have put forward here. That is instead of the Government taking the action, that the Education Council be requested to take the action. Therefore, Governments' position is that it will request the Education Council, in accordance with their duty under the Education Law, 1983, to take action as appropriate in response to the Motion and on that basis we can accept the Motion. I understand from the Mover that this is acceptable to him. I mentioned to him that this would be Government's position on this Motion.

I will not get into any dialogue at this time which might tend to prejudice or indicate a position. That is prejudice the outcome of the assessment and evaluation which will take place. I will only say that Government has no intention of putting any stumbling block in the way of this institution because Government is developing the Community College. And similarly I would not anticipate any special favours. I would foresee a truly independent and competent assessment and a decision be taken based on that assessment.

The Mover did mention a teachers training facility and I would remind the Member that that topic was the subject of an earlier Motion in this House and that as a result the Education sector review now taking place includes as one of the areas to be studied and advised upon, shall I say, the appropriateness of establishing a teachers training college in the Islands. So I am not going to continue to pronounce on the merits or demerits of any system versus the other because I believe that if we are going to subject an institution to an assessment and evaluation by competent and independent persons, that nothing should be done to prejudice that outcome.

Having said that, I would like to reiterate that Government is prepared to carry out the assessment and evaluation as requested in the Motion, but that it will be done in accordance with the Education Law, 1983.

Thank you.

**MR. PRESIDENT:**  
Member for the Lesser Islands

Does any other Member wish to speak? The Second Elected

**MR. GILBERT A. McLEAN:**

Thank you, Mr. President.

I rise to support Private Member's Motion No. 3/90 and to say that I think it is has been long in coming to this honourable House to do what the Mover of this Motion has asked to be done. As has been pointed out, ICCI has been in this country as an institution of higher education for a very long time. According to the Mover, this year will be 20 years which is indeed a long period of time for an institution of this kind. Particularly in these small Islands that in this respect started somewhat late. ICCI, my knowledge of it, has been a blessing to a lot of people in this country. Not least of which has been the Government for I well recall the 1970s when there was a considerable lack of skilled and trained persons in the Islands to draw from, particularly in the Government in the area of secretarial services. The Government had a standing arrangement with that institution for young women who came into the service with basic education but not the necessary skills. They

were taken on with an arrangement where they attended ICCI for certain periods of time in the day and after that, they served in the Departments in which they were employed. It worked extremely well and today there are many well qualified and competent secretaries I know in the Government who started out through that particular process. To the best of my knowledge it still offers this area of studies and I think, in fact, that it has broadened its syllabus since that time.

One thing to be taken into account with ICCI is the fact that persons can attend that college locally at much less expense than if they were to attempt to do that overseas. The costs are much lower. The transportation and tuition costs and paramount of course is the fact that a person is residing on the Island. It is encouraging to know that there are a number of mature students in this country who attend ICCI. Having enough consciousness of the need for education and ICCI being an institution that can provide the level of education which they are seeking. I do know too that ICCI has provided the initial education for some persons who are now well qualified and have reached the top in qualifications in accounting. So this is one area of need in this country that ICCI is addressing and has addressed. I share the view of the Mover that ICCI could be so utilised by persons, and I think to some degree this is happening now, where for example there is a four year course that the initial part of the first two years can be done there even if those persons choose to go onto institutions of higher learning elsewhere.

I do not believe that ICCI in any way detracts from Government's efforts in the Community College. On the contrary I think that it compliments this and looking at it as being complimentary to, instead of superseding or either one superseding the other makes for a better arrangement and service that can be produced. One, of course, is Government funded and Government operated. The other is privately run and so there is the opportunity to compete in this respect as well. One adheres to the British system of education and the other the American system. So there is also the freedom of choice in that respect.

The Motion is specifically asking for Government to set some standard whereby ICCI can be judged. Apparently it is in limbo as to what level it now functions or to what degree the Government recognises it or any of the other confusing positions that it finds itself in at this time. One can hardly offer too many compliments to Governments' present and past where something has not been done to clearly identify the position of this particular educational institution.

I believe that it is incumbent on the Government wherever an organisation operates in this country to be in a position to clearly define where it sets on the totem pole of education and to clearly certify it and give it all the accreditation that one could reasonably expect.

This Motion is seeking to bring this matter, at long last, to the attention of this honourable House which has the authority to make recommendations that this process be started and in the final analysis legislate laws, if necessary.

In speaking in reply to this, the Honourable Member for Education has undertaken to look into this matter and to have the resolve of this Motion put into action. Personally, while I do not disagree with what he has said about the Education Council being charged with certain responsibility I think that the Education Council as a council is much too large to really effectively carry out an assessment evaluation examination that I visualise might be necessary in this case. There may be persons on that Council who have professional qualifications of the type that would or could be utilised in doing such an exercise, but it does not necessarily mean that every one there possesses such qualifications. I tend to agree with the Mover of the Motion that a Council or Committee which could be selected by the Education Council, for that matter, comprising of persons who hold specific qualifications in doing such work could be a better arrangement. However, Government to its will as it sees fit in this particular instance.

As I mentioned earlier, Government I know have paid monies, I suppose it could be considered in terms of scholarships, to Caymanians in this country to get certain specific training and I believe it helped. The college which was at that time much younger than it is now, in gaining some revenue, which because of its size and I dare say it must constantly be aware or be making attempts to remain financially viable. And I believe for the Government at this time to consider granting scholarships or bursaries or whatever one might choose to call it, or for that matter sending persons to this school to be trained in some specific area would be good for the individuals. It would show the Governments good faith and participation and of course it would help the college financially.

The Motion, in the last resolve asks that if upon examination and evaluation and assessment the Government finds that it has reached the standards that satisfies the Government, that it would give the necessary accreditation and authorise it to issue certificates or degrees that would have recognition, if you will, in this country and that where the college may do so, the Government would stand behind its claim to such certification by having given its approval. I think that is very reasonable. I think it should have happened about two decades ago. I believe it is the duty of the Government to do so and I trust that the Government will take into account the resolve of this Motion and start this process into action and complete it as soon as possible.

Thank you.

**MR. PRESIDENT:**  
Member for George Town.

Does any other Member wish to speak? The Third Elected

**MR. TRUMAN M. BODDEN:** Mr. President, I support this Motion and I would like to commend the Mover, the First Elected Member for Bodden Town who is not only a well educated and experienced gentlemen in the education profession, but who I know not only understands but has his heart in improving education in the Islands generally. It is good to be associated with him and the Secunder, another specialist in

education on this Motion.

I am not going to spend a lot of time on the niceties of the Law because the Motion has been approved it seems in substance by the Government. All I would say in relation to that is that whatever means are necessary to achieve the intent of the Motion, then the Government, I believe, should and will carry that out.

Whether the Committee be a Committee of the Council, sitting with other experts locally or if necessary from a U.S. educational institute or whatever, that reports back to the Education Council or in whatever way this can be done, then I think that that is really what the aim of the Motion is for.

The crucial thing about this, I think, is to ensure that the evaluation and the assessment of the institution is carried out within a reasonable time. And that the Council or Government satisfies themselves with the standards of it and thus, endows it with the necessary authority. If it is felt that there is sufficient legislative power to do so, then that in itself would expedite the process.

The ICCI has been operational, it was founded some 20 years ago and I believe that it has now established its place in the Cayman Islands society. I should mention that the College, to the best of my knowledge, does or at least did receive a part of the direct contributions from the annual grants to private schools.

As you know, I have always been one for seeing that there is the competitive edge between schools. I have always promoted the private schools and I believe that not only do they provide a choice and keep up the standard of education through their competitive introduction into the education system but they save this Government very large sums of money, both in capital and recurrent expenditure each year. To that effect it is necessary to ensure that they continue to be assisted in the very small way that we assist them. As you know, the grant to private schools which includes all schools, which this is defined under the Law, was doubled this year upon my request in Finance Committee. And even that was perhaps not as much as they should have received.

On the other side, we have to have from the college and its Board of Governors or Directors the full opportunity to have the evaluation and assessment carried out and I believe they will see this as a positive step towards filling a gap that has existed for some time. I also believe that having the two education systems running side by side - the British and the American system - as mentioned by the Member for Bodden Town once again provides the competitive atmosphere and it gives the choice to students. We have to accept the fact that while we are a British crown colony that we are close geographically and in many respects from a way of life point of view to the North American continent. And these days, unlike some 20 odd years ago when most of us in this honourable House went on to school, the system of choice and necessity in many ways was only the British system. But both of these systems, the British and American, like the two countries have now come very close together in many respects. Many of the weaknesses of each system has been ironed out by accepting the equivalent good parts of the other system. We find that as the Member mentioned, the assessment over an academic year or term comes into play rather than having one final exam which actually can make or break a persons life. You have the progression of both the U.S. and the United Kingdom system moving much closer together, so the distinction which has existed in the systems for many years are now becoming less and less. Further, many of the grants, in fact probably a majority of the grants, from the Education Council for Scholarships are for students who will be attending North American universities. That too, is different from the early days. So more and more we are seeing that the systems can exist side by side. They both have their merits and as the, I would refer to him as the learned Member for Bodden Town mentioned, it is a question of one degree or the other degree. There is very little distinction until one looks very carefully at the standard of pass.

The Community College, I believe, can coexist with ICCI and they can compliment each other. I believe that they both have their place in this society. But I also believe that we have to increase our financial assistance to ICCI and to the other private schools to ensure that they can remain at the high standards that they now are. However, I would like to repeat that it must have the cooperation of the Board of Governors to ensure that this works. I believe it will be forthcoming because at this stage there are many voids in the higher education in the Cayman Islands that can be filled here. In fact, there are many potential students who cannot go abroad whether it is for the reason of having a family or from the point of view of financial means, of having to actually live abroad and to study abroad for a period of three or four years. The more that can be done locally and I think a shining example of beginning from scratch and keeping the standards high has been the Law School which the Second Official Member has responsibility, I think partly with the Member for Education, and that is a good example of where you see a void locally being progressively and effectively filled and the standard accepted by highly recognised universities abroad.

The Member for Education who is the Chairman of the Education Council will because I know he will, bring this at an early stage to the Councils attention, that he will do whatever is necessary to assist the college to continue and that hopefully in the next few months to come during this year, we will see a move towards carrying out the three operative parts of this resolution, that the three resolved clauses of it.

I am happy to support it, to associate with it and I wish the International College of the Cayman Islands, where incidentally I taught for a year, all the best and I would ask that there be a reasonableness and flexibility on both the Government and the Board of Management to cooperate together for what I think will be very beneficial to the Cayman Islands generally and students specifically.

Thank you.

**MR. PRESIDENT:**

The House now suspends until 2:15 P.M.

## PROCEEDINGS SUSPENDED AT 12:52 P.M.

## PROCEEDINGS RESUMED AT 2:16 P.M.

**MR. PRESIDENT:** Proceedings are resumed on Private Member's Motion No. 3/90. Does any Member wish to speak? Do you wish to speak?

**HON. THOMAS C. JEFFERSON:** Mr. President, he has spoken already. I failed to advise you.

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

**CAPT. MABRY S. KIRKCONNELL:** Thank you, Mr. President.  
I rise to support Private Members' Motion No. 3/90, the International College of the Cayman Islands. I think that this is an important Motion and I think it is good that the First Elected Member for Bodden Town has brought this Motion at this time.

The International College of the Cayman Islands, over the last almost 20 years has played an important part in higher education here in the Cayman Islands. I think its potential is great if we utilise it. In a community such as ours, where there has not been an on-island facility for tertiary education. In the earlier days many of our people who had responsibilities were not able to go overseas to seek education. If this institution can develop and offer courses I think many people will avail themselves of the opportunity of improving their position in life by going to this on a part-time basis while still maintaining employment here on the Island. I think it can be a great benefit to the three Islands.

I am very happy that we have had the opportunity of looking into this here in this honourable House. I look forward that the Education Council, at a very early date, will attempt to arrive at a satisfactory agreement with the Board of Governors of ICCI in order that we can get on with what is necessary to improve its accreditation and whatever is necessary to help them along. As I said it affords an opportunity to many that are not able to go overseas because of the high cost of overseas education. Many, even if they can receive our scholarship are not able to go because they have commitments here in the Islands and they need to earn a salary while attending college.

I congratulate the Mover and the Seconder for bringing this. I am also happy to know that the Second Elected Member responsible for Education will be looking seriously into this matter and I hope at a very early date we can get something favourably concluded.

With these words, I support the Motion.

**MR. PRESIDENT:** If no other Member wishes to speak, would the Mover wish to reply?

**MR. ROY BODDEN:** Thank you very kindly, Mr. President.  
Let me begin by saying that I welcome with graciousness the support of Members of the House, those who offered verbal contributions and those whom I assume by their silence are supporting the Motion.

I take cognisance of the position of the Honourable Member under whose responsibility this Motion falls. I respect his cautiousness and his studied conservatism and I take note of his concerns. I can only say that I respect those concerns and perhaps when my tenure in this honourable House has been as long as his has been, then the wisdom which is accrued by that tenure will afford me the opportunity to be as cautious as he is.

I would ask of him to ensure (because it is a matter of delicacy), that when the assessments are being made the authorities at the ICCI will have an opportunity to have some input into the matter. Sometimes the best of intentions can go sour and in delicate matters such as these, it is necessary for communication and common understanding to exist.

I did not mention at the outset, because I thought it went with a certain obviousness, but I was struck by the contributions made by my supporters on this side, particularly the Seconder of the Motion and the Third Elected Member for George Town. I am minded to say in listening to them that I think too, it is incumbent upon the Government to know and to be assured that any educational institution operating in these Islands meet with criteria which can be sanctioned and supported by the Government. So this Motion sets this institution clearly into the ambit, if indeed, it was not seen that way prior to the introduction of this Motion, within the ambit of Government control. That is only fair and that is only reasonable.

I am happy to say that the Motion has been steered clear of contention and that we are now in a position to move past perfunctory participation and for the Government, in its wisdom, and with the cooperation of the authorities of the college to mould a union or a marriage where the institution of the International College of the Cayman Islands can prove even greater worth and significance in these Islands.

I do not have very much else to say other than to say that it is a step which clearly can only be in the interest of the development of these Islands socially, politically, economically and definitely educationally. Again let me say that I congratulate the Member on his graciousness, the wisdom he offered, the cautious route that he undertakes to tread and I accept that he, in good faith, has undertaken to do what is in the best interests of the College and the country of these Islands.

I would like to thank all those who have seen fit to support this Motion. My colleagues on the Backbench, the Members of the Government and I believe I can safely say that we

are continuing on our way to positive progress in these Islands.

Thank you very kindly.

**MR. PRESIDENT:**  
3/90.

I shall now put the question on Private Member's Motion No.

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

**AYES.**

**MR. PRESIDENT:**

The Ayes have it.

**AGREED: PRIVATE MEMBER'S MOTION NO. 3/90 PASSED.**

**MR. PRESIDENT:**  
Private Member's Motion No. 4/90.

We pass on now to the third Private Members' Motion of today.  
The Second Elected Member for the Lesser Islands.

**PRIVATE MEMBER'S MOTION NO. 4/90  
SELECT COMMITTEE - CAYMAN AIRWAYS LIMITED**

**MR. GILBERT A. McLEAN:**

Thank you, Mr. President.

I beg to move Private Member's Motion No. 4/90, Select Committee Cayman Airways Limited, varied in accordance with provisions of Standing Order 24(7). The Motion reads:

**WHEREAS** Cayman Airways Limited made a profit of approximately \$1,000,000 for the financial year ended 30th June, 1989 which is an improvement of \$2,000,000 over the loss of US\$1,077,268 for the financial year ended June, 1988;

**AND WHEREAS** Government grants substantial annual subsidies to Cayman Airways Limited to the extent of CI\$1,050,000 for 1990, and has granted CI\$1,250,000 to the Portfolio of Tourism for promotion of the New York/Cayman route and tourism in that area;

**AND WHEREAS** provision of air services between Cayman Brac/Little Cayman and Grand Cayman has deteriorated and the residents continue to be dissatisfied;

**NOW BE IT THEREFORE RESOLVED THAT** this honourable House recommends that the Standing Finance consider and determine whether funds should be provided for the appointment of an independent firm or persons to examine all aspects of Cayman Airways Limited, identifying areas of profits and losses, the financial affairs, management, equipment and operations including the Cayman Brac and Little Cayman routes.

**AND BE IT FURTHER RESOLVED** that pursuant to Finance Committees recommendations of the funds for such an examination and subject to the selection of a firm or persons, the Honourable Member for Tourism, Aviation and Trade shall provide copies of all progress reports of the appointed firm or persons as soon as possible to Members of the Finance Committee for consideration and that the final report be laid on the table of this honourable House by the Member for Tourism, Aviation and Trade.

**MR. JOHN D. JEFFERSON:**

Mr. President, I beg to second the Motion.

**MR. PRESIDENT:**  
seconded. Would the Mover wish to speak?

Private Member's Motion No. 4/90 has been duly moved and

**MR. GILBERT A. McLEAN:**

Thank you, Mr. President.

This Motion is similar to a Motion which I brought to this honourable House last year and which, at that time, was rejected by a slim margin of eight votes to seven. At this point in time I am some minded to believe that perhaps had it passed at that time certain problems which have arisen as a result of matters pertaining to Cayman Airways may not have come about. And perhaps certain political conditions which occurred shortly after and still exist today may not have been. It is not a question of persistence why I have brought this Motion again to this honourable House but one of concern that the question of Cayman Airways is one of the most important questions or issues in this country today. And I say this because of the considerable liability which it imposes on this country and also the fact that it is, in my opinion, an integral tool of the development of the Cayman Islands in terms of tourism.

The Motion, which I have presented, has been altered not less than seven times from the original which I brought in an honest attempt to try to arrive at a request or a resolution that would be acceptable to the Government and that the Member responsible for Cayman Airways would find it possible to accept and to implement. I have discussed this matter with the Member and it is my understanding that it now exists in a form that he would find generally agreeable.

Mr. President, from its very inception Cayman Airways, perhaps,

has been the biggest bite that the Government of the Cayman Islands has undertaken in terms of its continuous cash output and also giving due regard to the financial undertaking that comprises Cayman Airways. It has been a controversial subject from day one and for many reasons in that it has been a very emotional issue for the person who really took the bull by the horn formed it into what it is today to its fullest extent. I also believe it has a certain emotional significance to the people who are justly proud of having its own airline. Perhaps we are the smallest country in the world in terms of population to be undertaking to operate jet service on a competitive and international basis. This matter took a confrontational turn last year when the Member responsible in Finance Committee requested monies for certain changes in the equipment which was then in use and for which the Members of the Finance Committee, at least the majority of them, insisted that more information was necessary, to which the views of this majority were strongly put forward on this issue. That matter is well known to most of us in this honourable House and it did come about. I shall refer in a little greater detail to that particular aspect a little further on in my presentation.

At this time I think it is significant to note that in that transaction the liability on the leases of the two new aircraft has contractually placed the Cayman Islands Government in a liability position over 15 years, up to \$112 million. At this time there is cause to believe that if the lease were to be terminated today there could well be contractual commitments to be paid out of this leasing arrangement up to a tune of about \$12 million.

So the point that I would bring to the attention of this honourable House is the extent of the demand on this country's finances for the undertaking of Cayman Airways. Of course there are other liabilities involved with the lease and the whole operation of Cayman Airways. There are certain contractual obligations in the various areas. There are liabilities to hotels, wholesalers, travel agents, security people, fuel, maintenance, rent, landing fees, tickets, staff payments, terms of employment for the people who work for the airline. So it cannot be too strongly stressed the focal significance of Cayman Airways in terms of the country's money. Because of that there is, in my opinion, every need and every requirement for the elected representatives of the people and the people themselves to know the details of the whole condition of Cayman Airways.

Other significance to this country Cayman Airways which brings forward emotive feelings is that our tourism today can be traced to the assistance which has come about by the use of Cayman Airways in developing the Cayman Islands into a tourist destination. The airline was there when other carriers were not minded to fly to this Island and when some left, indeed, it was still there. So it was the guarantee of this country to have air communications to bring to these Islands visitors as tourists as investors. It has been used in various ways in conjunction with the Hotel Association through which package visits were promoted even when the high season had passed, it was used to keep the flow of visitors coming to our shores.

Many state and perhaps quite rightly, that we could not be at this point in time where we are with tourism and the development of tourism without the use of Cayman Airways. That certainly is one of the reasons why I support Cayman Airways and believe that it should be allowed to continue its operation if at all possible, if at all this country can meet the cost which it imposes and if we can factually arrive at a position where we can forecast the continued good operation of Cayman Airways. Costs, undoubtedly, are continually mounting as we know. Fuel has increased, more staff means more cost, there are other operational costs and of course advertisements are constantly on the rise. Cayman Airways needs to have its significance in the country clearly measured and weighed against the role it is playing in the country. Major to this would be the role it is playing in tourism.

A study is necessary to forecast whether in the face of competition, and possible business, in the face of the number of persons that are travelling Cayman Airways whether it can survive as a viable entity, whether it can reach the point where it is maintaining itself or whether it is important enough to keep it even if Government must continue to pay a subsidy for its survival.

It has to be clearly weighed against other means of air communications into these Islands from other airlines and there are about four major U.S. carriers. One has to look at whether Cayman Airways can survive in competition with them or whether Cayman Airways, as an entity, must go into at least a period of abeyance or whether, as has other country's have done, some arrangement is made whereby others will supply the air service and the country supply the services once visitors are here.

What I do not believe is advisable is that by all means we must insist that Cayman Airways should continue operation against all odds. If such a decision is taken it needs to be done on the basis that this has been factually found by experts in the field who can clearly show that that is the correct position for these Islands to maintain. I would not suggest us going into a position of dependency on foreign carriers, on the other hand, without having any control on the number of flights, the frequency of the flights or the cost that these other airlines might charge for the service they are providing. A realistic position needs to be found. Neither can I advocate taking so hard a line against competing carriers that we take a stand that Cayman Airways is going to fly and we are going to take serious disagreement about you flying here.

We have to look at the amount of advertisement that Cayman Airways gets from the other carriers that come to this Islands. It is much and significant. Surely the situation is two fold. Cayman Airways is basically the means which we can guarantee transportation to our country. But on the other hand there is the question of advertising effectively enough to attract people here.

The other airlines do advertise these Islands a lot. For example, I hold here a magazine which is called 'Compass Readings' and this was in the seatback pocket of all of the airlines operated by Northwest for the month of February. The picture on the front page is an underwater scene in Cayman and there are 10 pages of advertisement of the Cayman Islands as a travel destination. This particular airline, as we all know, flies internationally around the world and surely there must have been a few hundred thousand people in different parts of the world that heard or read or saw an advertisement of the Cayman Islands during the month of

February. These other carriers give Cayman Airways, therefore, advertisements which it could not itself really afford to give or to pay for.

In 12 years of existence, our national airlines, Cayman Airways has changed equipment three times. Major changes. We first flew the BAC 111s, we flew the 727s, now we fly the 737-400s. There were also smaller planes which have been used on the inter-Islands route that have been changed. We once had a tri-Islander. We also had once a 747 Hawker Sidley prop jet and at this time we have the Shorts aircraft, which I have said on many occasions is short on everything. Each time that there has been a change in aircraft the situation has been examined to some extent. I am lead to wonder if, in each instance, it has been done on the best information from the best sources and if it has been presented in the best manner and accurately projected and forecasted. I do have my concerns about this and believe that this has not been the case in each of these instances. Thus, it seems more and more a need that there should be a proper full detailed examination.

The present aircraft, the Shorts, was an example where according to what information was made available to the public, only a small number of people seemed to have known that that plane had been selected, that it was being purchased and it took into account a limited number of opinions. Why that bothers me in particular is that it is largely used to service the run between the three Cayman Islands. At least two at this stage. Cayman Brac and Grand Cayman. The operation of this plane has been anything but efficient and desirable from various points of view.

Troubles with the plane breaking down and also the fact of it being unsuitable in terms of carrying both passengers and cargo or luggage. In this particular case, I believe having that plane has placed Cayman Brac and Little Cayman at a disadvantage in terms of travel, service and in turn it has affected tourism to those Islands by not providing the opportunity development to the extent that it could be.

I am convinced that that aircraft has shown and proven it is not the aircraft for that job and that the Government should take cognisants of it and dispose of that airplane.

The most recent and ongoing debate has been regarding the sale of the 727s in favour of the 737-400s. There are various arguments for and arguments against. Both sides have argued their position fiercely. The most significant thing in this whole matter is consideration of the financial picture since this has come about. It is not a question of good or bad planes. It is a question of cost. It is a known fact that the lease position the present planes which we have requires the company to meet on a monthly basis, three times the cost it was meeting when it had the other aircraft. That is a fact, inescapable. This increase, financial commitment, has made the situation difficult for the airline to survive in the face of added competition. I do not believe that anyone would try to refute that particular position.

I personally believe that while there are savings in fuel as expressed by many persons regarding the use of the present aircraft that this has been cancelled out to some extent by the loss of passenger revenue, we are told, and also the loss of freight capacity. What seems very certain is that the whole answer to Cayman Airways simply cannot be in the aircraft that is being used. Aircraft is not the only element that goes together to make the Cayman Airways Limited scenario. It is people. It is other related services to that.

Here, I would like to say that while many accusations have been leveled by persons on both sides for and against the particular situation as it exists, I take no responsibility what so ever and have never consciously done anything to say to anyone whether they should fly our present aircraft or not. I think it is a very personal decision and I believe in choice. I, like others in this country, at the time that this was a matter being very hotly debated heard of certain safety concerns with respect to the present equipment and they arrive at their own conclusions and decisions. I in no way, as I said, take responsibility in telling anyone what they should or should not do in this respect. I believe that this country was divided to a large extent at the time that this came about because there was a number of people in this country who saw Cayman Airways as being directly associated with one of our departed political leaders and they thought to change from that position is a direct act or action against him, that a feeling was being shown towards him and I believe that there were certain elements in this country that said: Well I can act against you too. You can get them but you cannot make me fly them. I do not know if anyone else thought about that particular side of it.

It could be an element of protest in it all. On that point of view, all that I would advocate is that any Government, including the present Government should be aware that when you can mathematically figure out every element in a particular scenario do not ever underestimate the people element of it. That is the variable that no one can predict. At this point also, I would like to say to this honourable House that I do not share the view that the arguments for and against have been bad for Cayman Airways or have been bad for this country because I think both sides in this argument, in their own way, are singularly concerned about the situation. There are two different points of view and reasons for it. So, I do not subscribe to this view of and these terms of bickering. I do not see any bickering in this House if I understand the meaning bickering. I checked it in the dictionary to make sure it was what I understood it to be. I think there were two points of view and I believe that at this point in time that all Honourable Members of this House are concerned about bringing to conclusion the situation with Cayman Airways. I certainly am.

I am encouraged with those who would advocate that good parliamentary practice is sitting in the seat and only saying (a) communist regimes in this world, in recent times, have not fallen by persons saying aye, aye. But indeed saying no, no, I believe that democracy is served and will continue to be served as long as there can be differing views or dissension for out of it evolves majority rule that has come to a majority decision. I feel that is the situation today be and as far as I am concerned, long may continue.

Some of the complaints by Backbenchers, like myself, at the



time that Cayman Airways was being dealt with was that it happened too quickly. It was done with too much haste. There was not enough information. I still maintain that position. However, that is past. We have got to try to arrive at a solution at this time. I believe that the only way it can be done properly is an independent study. That is what I am advocating. An independent study. I cannot believe or agree that with the best intentions any one can take the employees of Cayman Airways from any department whatsoever, and from them into an independent body for them to objectively and at arms length look at the situation and come to objective conclusions. I believe that attempting to do that is causing ongoing problems. For once and for all we should arrive at a position where we employ people, never mind the cost (which of course must be within reason), to examine every aspect and detail of Cayman Airways. From its articles and memorandum of association. All aspects of it. Too look at our bilateral agreements to look at the operation, maintenance and the staffing here in Cayman, Miami, Houston which ever side of it. Where ever Cayman Airways touches, we need to know the factual situation. It is worrying when, and again I do not advocate how the Member should handle his Portfolio or how he should instruct or supervise or insist that the members of board act on what they say. I have my own ideas about it. But I cannot see where it is helpful for members of the Board to be making statements such as those contained in Thursday, the 25th of January, 1990 statement; However it is most discouraging for the staff of Cayman Airways to take reductions, tighten their belts to see the airline succeed when we have responsible people in Cayman actively trying to keep people away from the airline. I think that is a most brutal statement. That is a statement that should not be made unless and if they know a person is doing that, then they should clearly name those persons.

I think what needs to be done by Cayman Airways is to do what we can do here today - accept that it needs a detailed study, provide the funds for it and let those experts tell us, no matter how hard the truth, what the truth of Cayman Airways really is.

In the study, like I envisage, the experts would also look at the present situation of the new planes that we have. They would look at the contract for them and advise us on that, whether it is good for the Government to have those planes. Whether we should look to get rid of them, whether we should look to get rid of them, whether we should have others in their place. Whatever is necessary we should know.

The utilisation. We fly to certain areas now - New York, Tampa, Atlanta, Miami for example. These people should also look at whether we should be flying to these destinations. Not because we are does it say that we should continue. They will look at the frequency that we are flying, the costs involved that we are charging to do it and the times we are flying. These are the types of details that I advocate in any study to be done.

We cannot arrive at a true position, a sensible position by on one hand when it suits the airline management or the Government to say that Cayman Airways is a private company. But when it needs money it is a public company. It can only be one company. There is another matter that I would like to make mention of and that is the constant situation, it seems, where everybody related to Cayman Airways has choice on ourselves, the people commonly referred to as Backbenchers. This group wants to talk to us, the next one wants to talk to us. It does not make sense to me. I believe that there is a certain protocol involved. I, as a representative, nor any of us here have any business quizzing the managing director of Cayman Airways about what happened today on such and such a route. How much revenue you earned there, how much you lost?

I believe the protocol and the procedure is that if we have concerns about it, that is brought to the Member responsible and he gets that information from whomever he chooses in the airline. If in the process persons involved in the airline are invited as witnesses to state in greater detail, then that is fine. But I think there is a procedure to be followed and at this point in time, I am not very sure that that is being done.

It seems that the management of Cayman Airways is trying to handle the situation they way they believe is right. This has been expressed, for example, in staff cuts and certain reductions in salaries and freezing of wages and so on. Again I question, is it being done to the right extent or should you be doing that particular thing at all. Is it somewhere else that the problem lies? We do not know. Cayman Airways is in a troubled position and we need to find an answer fast. I do not agree with the management, like the managing director going around blaming this one and that one. Going to the Chamber of Commerce and making, what I consider, ridiculous suggestions about setting up a debating forum for Cayman Airways personnel and the Elected Representatives of the people on the Backbench to come to debate. Debate what? What are you going to debate?

If he wants to be flippant, well that is fine. But certainly the Chamber of Commerce seems to have taken it up seriously because they in the *Caymanian Compass* of Friday, the 23rd of February said that it plans to organise a public forum between Backbench Members of the House and Cayman Airways representatives in order for both parties and the general public to objectively debate and review the circumstances surrounding the present problem between CAL and the Members of the Legislative Assembly. What problem is he referring to, I wonder?

The condition, as I know it to be, Cayman Airways has a serious money problem. The Backbench Members of this honourable House have asked for certain information, which has not been supplied to date. They said let us do a study, find out what it is and then let us take remedial action. If the Managing Director wants live stage entertainment perhaps he should go to the Comedy Club at Coconuts at the Holiday Inn. Certainly I will not be one of the actors on any stage, put on these islands to debate in public forum and all the rest of it. What I have to say I say here! I say now with this Motion and I believe there is a line of communication to be followed that myself or any Members seeking information from Cayman Airways. We seek it through the Member, the Minister (whatever we may choose to call the man charged with the responsibility) and he gets that information for us. This by-passing and circumventing and so on leaves me out of that particular picture.

I have to draw attention to the plight and the need of the two Islands which I represent, Cayman Brac and Little Cayman. These two Islands and the people have a particular need for air service that has been provided to date by Cayman Airways. The Islands are separated from Grand Cayman, the largest of the three, by some of the deepest water in the world. The quickest means of reaching them is by air.

The Islands need a regular and dependable service that it has not been getting. Either by the smaller aircraft, the Shorts (owned by Cayman Airways) or through usage of the jets. I quite frequently get ridiculed and jived that I am still complaining and will do so as long as I am in a position to complain about it and as long as the condition persists. In this House, today the Member responsible Cayman Airways has said that the airline is going to institute jet service twice daily - morning and evening, to Cayman Brac to shuttle from this Island to there. I wait to see that, because on more than one occasion I have heard that jet service will be instituted, it will be regular and dependable, but I wait to be convinced. Even if it does I fear that after it has been in operation for a few weeks, it will cease as it has done in the past. So I am trying to bring to the attention of the authorities that there is a desperate need for reliable, dependable, and suitable air service to Cayman Brac and Little Cayman. The Government wish to help these Islands. It can do so with the air service providing an opportunity to the people of these Islands to travel easily and frequently. It will fly visitors to these Islands and it will in a small way, provide the service that Grand Cayman takes for granted.

The Member has advocated (based, I imagine on information he has of Cayman Airways), that the jets which are now owned can serve as he suggested, I have my concerns about that because while it is highly desirable to have usage of the jets from morning to night there is a time interval that cannot be served by a small light aircraft that flies between the Islands. I would say it is functioning, and it is providing a service, but whether it is adequate is my contention.

I believe that a plane of proper capacity, whatever that capacity is 20 or 30 seater or whatever, that can take a certain amount of load factor can be determined, which can be determined by persons who know and not the employees of Cayman Airways (attempting once again to reach conclusion of that matter). If we are going to pay out money, let us have this aspect taken into account as well.

A detailed study, as I envisage, would (as the Motion has said), take into account all aspects of Cayman Airways. It would surely look at manpower planning, the Caymanianisation of the company as far as possible with particular reference to senior management, the costing of the routes, an analysis of their viability, particularly where there are special provisions made to tour operators, flight schedules can be scientifically determined. Proper financial management can be put in place instead of attempting to deal with crisis management. There should be full accountability looked at, where it may not exist it should be instituted. As suggested here for Government, the Public Accounts Committee, I see nothing wrong with considering putting in place an internal audit section within the airlines. Surely there must be a need for review, an organisational and management review within this whole exercise. All of the areas that the airlines come in touch with should be examined. Maintenance and engineering, flight operations, dispatch, systems control, marketing and sales, crew planning and scheduling. Look at the Aviation Law under which Cayman Airways operates. As I said, the bilateral agreements. Whatever legislation affects that airline. The management and training of staff. Data processing and telecommunications support. All of these, in my opinion, need to be examined. For this I think we have to look carefully at the fees and costs and the quality controls which they would desire. I do not advocate any open ended contract that would make billionaires out of people who perhaps are already millionaires. I believe in a fixed price not exceeding a budget based on 40 man hour projects. The persons doing the study must be able to stand upon a warranty for the work which they have performed.

One of the immediate things that needs examination is to consider increasing the revenue and control costs, and substantially reduce or eliminate Cayman Airways' operating losses and to provide for Cayman Airways' longer term profitability and success as a national carrier. To maintain and increase the current level of tourism generated by other air carriers that are operating in the country and marketing the Cayman Islands as a tourist destination.

I would envisage this study taking different stages, or phases. Dealing with the most important in stage one, working into stage two, three and four as the case may be. The Member has suggested that a study could be done or a proposal by Towers and Perrin. There is a proposal to study Cayman Airways. I do not agree with Towers and Perrin undertaking the study. Not that I question their authority in the business they are in. I am reliably told that they are top of the line in accounting and actuarial studies but the question of airline studies is something that is secondary to them. I believe that such a company would have to go out and hire experts themselves as has been the case in recent instances here in this country. I do not advocate such a condition.

The type of consultant or expert that I believe Cayman Airways needs to do a study are those persons who make their living, or firms whose business it is to deal strictly wholly and solely with Cayman Airways. They do exist in this world.

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

I think we should take the tea break. I have left it rather too

**PROCEEDINGS SUSPENDED AT 3:30 P.M.**

**PROCEEDINGS RESUMED AT 3:58 P.M.**

**MR. PRESIDENT:**  
Lesser Islands, continuing.

Proceedings are resumed. The Second Elected Member for the

**MR. GILBERT A. McLEAN:**

Thank you, Mr. President.

When we took the break I was commenting on the proposal from Towers and Perrin, the company that proposed to do a study on Cayman Airways and I was making the point that I did not support Towers and Perrin doing this particular study. In what has been set out in the proposal on the organisational side of it, I see where it is suggested that there is a Cayman Airways Project Steering Committee. I do not see the logic of that or why it is necessary for a team to go in and do this study and some of the duties and actions they will be studying, I do not see why those same people should be on a Steering Committee.

The proper way for such a study to be conducted is to be summoned by the Government, reporting directly to the Member responsible for Cayman Airways (and no in between Steering Committee in that respect). Looking at the credentials of some of the persons who are suggested as being the people that could be used, it appears to me that there is only one person who has airline experience or at least some, a Mr. Coplish.

In setting out the experience of some others, I see wide statements here similar to a recent biography that was presented to this House. For example - a Mr. Thomas, recent assignments include the following: Corporate wide effectiveness and efficiency study of a large United States factor. I wonder what that means? Again he has done organisational performance, review of a commercial bank. I wonder why those banks do not have names or what it means for a super regional financial services institutions, bank. It raises questions because if any particular person has had experience studying whatever bank or whatever corporation, then once that was properly done and contractually decided on, the names of those places could be given. Particularly where one is attempting to attract another client, he would want to give the names of those places and persons. For example, so their records could be checked in terms of the service performed. Therefore, I do not believe that entering into this particular proposal would meet the comprehensive type of study that I am suggesting in the Motion before the House.

The people that I envisage as doing such a study, would be specialists in the field and the costs nailed down as closely as possible and surely if it cannot be 100 per cent precise, then there would have to be some clause 'not more than' or 'not to exceed' clause in it. I do not like the open ended contracts that seem to have become the thing of the day.

This Motion has asked in the resolution that the Finance Committee; that is all Elected Members of this honourable House with the First Official Member as Chairman, meet, consider and determine whether funds should be provided for the appointment of an independent firm or persons to examine all aspects of Cayman Airways. Subject to the Committee agreeing to the selection that should be done then funds for such examination be provided. So that is a very straight forward way of dealing with this situation.

It is not a question of funds, because I for one and indeed the majority of the members of the Backbench in Finance Committee has declared that they have no problem whatsoever, they have given me their undertaking and their word that they will support such a Motion and provide funds for it to be carried out.

The only thing we ask is that the Members be told what is happening. The way that I would visualise this particular exercise coming about would be that the Finance Committee would meet to determine if a person or a firm should be. The Finance Committee then would look at a list produced by the Member for Tourism of persons or consulting firms, specialists in the business of airlines. The Finance Committee would say, "here are four or five or six, tenders they all look good to us. Will you please proceed and have the Public Tenders Committee tender for the services.

When those tenders are received it will be awarded to one such firm or consultant and that as the progress reports are made to the Honourable Member for Tourism, he will in turn make copies of those reports then available to Members of the Finance Committee as soon as possible. At the end of the day the Government of the Cayman Islands would have a comprehensive report looking at all aspects of Cayman Airways and recommendations as to how the company might proceed - be it in whatever areas. If they recommend staff reductions or they recommend different rules or whatever, the hard cold facts are known and the Government is in the position to know all there is to know about Cayman Airways then it can make a firm and on going and factual decision.

In Finance Committee I would envisage that the Member sitting with the Member responsible for Tourism could work out the terms of reference which he would make and give to the Tenders Committee for them to put out and notice to invite bids. That would be the extent of the participation of the Finance Committee.

I wish to emphasis that I am in no way whatsoever suggesting that Finance Committee become an investigative committee to do this job. Only to initially meet all Members present, including the Member responsible for Cayman Airways, decide on the terms of reference that we would like to see this study entail, vote the funds for such a study and to receive on a regular basis the progress reports and ultimately to see a full report tabled in this honourable House.

Having said quite a bit, I recommend this Motion to this House.

**MR. PRESIDENT:**

Does any other Member wish to speak? The Honourable Member for Education.

**HON. BENSON O. EBANKS:**

Mr. President, the Member in speaking to his Motion said that it is similar to one which he brought last year and which was defeated narrowly, he says, by eight to seven votes. There is a vast difference between this Motion and the one brought earlier. And I believe that if we can hold on long enough we will get them in line yet because the Motion that was brought last year asked for the Elected Member of the Assembly to study and examine the airline and it was on that basis that the Government rejected the Motion. It

was during that debate that the Member for Tourism said that he had no objection. Indeed, I believe he said that he would take steps to see that an independent company audited Cayman Airways. At least he certainly indicated that he had no objection to that being done. He has taken steps to see that done. I see that it does not necessarily meet with the approval of the Mover of this Motion, but I will deal with that when I get down further in my contribution, Sir.

The first whereas in this Motion says:

"WHEREAS Cayman Airways Limited made a profit of approximately \$1 Million for the financial year ended the 30th of June, 1989, which is an improvement of \$2 million over the loss of \$1,077,268.00 for the financial year ended June 1988."

and it goes on to say: [pause] Mr. President, I was just checking to see that I had the same version, basically, of the Motion because I do not have the amended one before me. But it is substantially the same, Sir.

The point being made is that Cayman Airways made approximately \$1 Million profit for the period ending the 30th of June, 1989 which is an improvement of some \$2 million over the performance for the year ended June, 1988. Then in deliberations it is said that of course the financial position of Cayman Airways has deteriorated subsequently.

The point I want to make is that it would seem to me that Cayman Airways having made a profit at the end of June, 1989 demonstrates that there is nothing terribly wrong with the organisation. As in any organisation I am sure improvements can be made, but we all know and this reason has been given before, the period ending June 1989 saw Eastern depart from Miami route and Cayman Airways was left with only Northwest as a competitor. And the traffic for Cayman Airways improved considerably and it made some money.

This demonstrates that if the airline is not faced with excessive competition on the route that Cayman Airways can make some money. It also demonstrates that the management of Cayman Airways, including the Board of Directors cannot be as bad as we have heard from some quarters.

It is the same management and Board of Directors of the company now as was there for the period ending the 30th of June, 1989. The same people who were able to make money for that period are the same people who are now operating the company and doing a sterling job, trying to keep the airline going. It should not be presumed that the only reason for the financial position of Cayman Airways to deteriorate since June, 1989 is because there was a change of equipment. Everybody knows that shortly after that period three additional carriers came onto the route, including Eastern coming back. That is good reason for the airline to have lost money, particularly on that route, since it has been the major route flown by the airline. I think it should be acknowledged too that even though the airline has lost money it continues to carry a high percentage of passengers on the route.

The Member responsible for the Motion said that the purchase of the new equipment, that is the 737-400 airplanes caused a liability of some \$112 million on the Government over a 15 year period. To the best of my knowledge the Government does not guarantee the lease payments for Cayman Airways on the 737-400 aircraft. That was the case with the lease of the 727s and I believe the Mover said that even if the lease was terminated, it was the view of some that there would be a residual liability of some \$12 million remaining.

It is true that the lease for those new aircraft is much more than it was for the 727s and I do not intend to get too far into this aspect of things because I am sure that the Member for Tourism has the exact figures and it will be interesting for him to give them.

Suffice it to say at this point that irrespective of the high lease costs which are being paid that the total operating expense of the new aircraft is still less than it would have been if the company had been operating the 727 aircraft. That there is savings in crew, fuel, insurance, maintenance and I believe even the cost of flying over Cuba. So the Member will be able to prove that it is a much better deal for the company to be flying the 737 and I believe that he will be able to demonstrate that had the company been flying the 727 planes at this time, it would be in more serious problems than it is at the moment.

I believe that the 737 has also given the airline better passenger appeal in the wider market. It is true that, because of what I would term irresponsible remarks, that were made from public platforms in this Island that local passengers were, in my opinion, frightened away from the use of the aircraft. Internationally the aircraft is recognised as being a state of the art aircraft and one that is highly desirable in the industry. The question was raised that there was a tremendous loss of revenue because of a reduced freight capacity but it is interesting that in yesterdays Caymanian Compass there was a release from the airline showing where there had been a very substantial increase in freight revenue in this year as compared to the same period last year. And there was the difference in the two aircraft. So it does not appear that the airline is suffering any great inconvenience because of the lower poundage capacity for cargo that the new plane might have. It is my understanding that it has as much or greater cubic capacity and, in the airline industry one seldom gets the full poundage because the cubic capacity is usually used up before the weight has been reached.

The confidence of the travelling public in Cayman is generally returning to the airline and it is a pity that the personnel of the airline with all their other problems have had to fight, irresponsible remarks that were made about the aircraft. The most irresponsible charge of all, in my opinion, that was made that somehow either the Member for Tourism or the Directors of the company wanted to get rid of the 727 aircraft because it was bought by a now departed Member of Executive Council at the time that the planes were bought.

I assure Members that at no time did I hear that aspect of things discussed. I am satisfied that the Member for Tourism is a bigger man than that and would not lend himself to that

type of action. I believe that charge could have been introduced because some Members realised that argument might have had more appeal than some of the other arguments suggested as to why the planes were not suitable. I want to make it clear that I am satisfied that was not a consideration in deciding to change the aircraft.

We accept that, particularly in light of all of the criticisms made of Cayman Airways of late, an independent study would be a welcome exercise. To the best of my knowledge nobody in responsibility at Cayman Airways has anything to hide and it will be good to find areas where we may be able to improve the operation. It will also be good to hear that the operation of the company is not the disaster that some people are saying it is.

I understand that the Member piloting the Motion said that he would not try to tell the Member for Tourism how to run his Portfolio but he would suggest that it was not helpful to have directors of the company making statements to the effect that with all their other work it was disheartening that they had to fight off the rumours being spread by people in opposition to the airline, telling people not to fly it. I know that it was said from public platforms and I know that it has been disseminated to the public in my district. That being the case it is proper that management, the Board of Directors and even the Member make known what is going on because as far as I am concerned that is irresponsible.

**MR. PRESIDENT:** Could I point out that it is just after 4:30. If you think you might be finishing in a few minutes would the House wish to extend, or will you continue tomorrow?

**HON. BENSON O. EBANKS:** I will going on for a while, Mr. President.

**MR. PRESIDENT:** Fine.

### **ADJOURNMENT**

**HON. THOMAS C. JEFFERSON:** Mr. President, I move the adjournment of this House until 10 o'clock tomorrow morning.

**MR. PRESIDENT:** 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 Wednesday morning.

**AT 4:30 P.M. THE HOUSE STOOD ADJOURNED UNTIL 10 O'CLOCK, WEDNESDAY, 7TH MARCH, 1990.**



**WEDNESDAY  
7TH MARCH, 1990  
10:08 AM**

**MR. PRESIDENT:** Prayer by the Second Elected Member for the Lessor 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:** Proceedings of the House are resumed.  
Item two on today's Order Paper, continuation of the debate on Private Member's Motion number 4/90, the Honourable Member for Education, continuing.

**OTHER BUSINESS**

**PRIVATE MEMBERS' MOTIONS**

**PRIVATE MEMBER'S MOTION NO. 4/90  
SELECT COMMITTEE - CAYMAN AIRWAYS LIMITED**

**HON. BENSON O. EBANKS:** Thank you, Mr. President.  
When we adjourned yesterday I was dealing with the statement made by the Mover of the Motion, the Second Elected Member for the Lessor Islands to the effect that he could not see how it was helpful for members of the Board to make statements as contained in the *Caymanian Compass*, saying that in addition to all of their other business it was disheartening to have to try to counter rumours being spread by people opposed to the airline to the effect that people should not use the airline for various reasons.

The Member said that he had never consciously advocated that the public not use the aircraft. I cannot say that he personally said it, but it was certainly said from platforms on which he was a Member, and unless they disassociate themselves from something that is said by a speaker claiming to be speaking for the group, then I am afraid all of them have to bear that responsibility.

There is no doubt in my mind that it has been said from public platforms in this country by some Members of the Backbench and this would always exclude the First Elected Member for the Lessor Islands. They have made statements to the effect that the airline was unsafe, that it should not be flown. As I said yesterday, it was carried from house to house in my district and I have proof that this was done. They also said that the airline would be out of operation within 30 days, at one point. Thank God it is still going and I believe that it will continue to operate successfully.

I found it a bit amusing that with the proposed two jet flights per day to Cayman Brac that the Member should still be complaining about the time between the morning that the evening when this flight would be made. Particularly as I understand, a private firm has the right to run charters on that route, but certainly if the company can give two flights per day to Cayman Brac by jet, I do not believe that there is any other community that size in the world that would have that good and frequent a service.

The Mover of the Motion also stated that he did not agree that the firm that had made the offer to the Member for Tourism to do the study on Cayman Airways was equipped to carry out the study. He went on about only one person on the team having had airline experience and that the biographies gave 'no name' companies that work had been carried out for. What the Member should have said is

that in that proposal it was stated that this airline had, in fact, carried out work of the nature that we are seeking for Air Canada, United Air Lines and Lufthansa. While it was not listed in the proposal, KLM had work done by this company.

I think it should be noted that this study does not necessarily hinge solely on airline expertise as such. It was clear that at least one person had adequate airline experience, but what I believe Members have indicated and what most of us agree is that if the company is amiss in any area, it would be in its organisation and methods. The organisation of its staff, numbers of staff, its accounting and so on. And these people are adequate and highly qualified in this area.

It was also said that the suggestion by this company of the appointment of a project steering committee was unusual and I got the impression that it might have even been saying that it was irregular because the Member said that he did not see why the people being inspected or investigated should be on any steering committee. But that is a common procedure when outside people are brought in to evaluate a company that a project steering committee is established purely that the consultants know the people that will give them the information that they need, will search out the information they need, people whom they should request things from, give things to so that they do not have to go running all over the place. That is common. It is their contact with the company so that they can get all of the information and instructions and whatnot that they might need. And that would not be a big committee but it would be certainly people who either understand the whole organisation or one senior person from each department. So I do not see anything untoward about that.

To summarise what I have said is that the Motion before us is entirely different from the Motion that was brought last year, in that the one last year proposed the study to be done by a Committee of Members of the Assembly and this one calls for the study to be done by an independent firm.

I also made the point that the Government does not guarantee any of the lease payments for the new 737-400 aircraft. That deal was negotiated by Cayman Airways on its own merits and carries no Government guarantee. Cayman Airways put down \$2 Million as a deposit on the lease, a good faith payment and that is the extent of tangible liability on the lease.

It was also suggested that even if the lease was terminated at this point, Government would probably be liable for \$12 million. I believe what the Member really intended to say was that at the time the 737's were bought that the Government had an outstanding guarantee to the tune of some \$14 million on the lease payments for the 727 aircraft. It is my understanding that even now the lease on a 737-400 aircraft such as Cayman Airways has would cost some \$20,000 per month more today than what Cayman Airways has leased their aircraft for. So it seems to me that Cayman Airways is again building up to a position, very rapidly, where if they had to sub-lease those aircraft they could certainly do so at a handsome profit. I have said that the down turn in revenue for the airline is not due to any fault of the new equipment or any obvious problem with management. It is the same management there now that produced the profit for the period ending June 1989.

I also said that certain Members of the Backbencher had preached against using the aircraft from their public forums when they were really fighting the airline on what it had done. They got up and said that the aircraft was basically a lemon and unsafe to fly. But they have been proven wrong on that and the public is beginning to accept the aircraft.

It was also said that the company was losing revenue on freight and I made a statement that the 737-400 had more volume and carried less weight than the 727. I was wrong in that. It is the other way around. The 737-400 can carry more weight and has less volume. Nevertheless, the projections that were done for the use of this aircraft assumed full loads of passengers, baggage and all the rest of it on the Miami route. This was why it was said that possibly now and again it might be necessary to charter a DC-6 to bring in excess cargo, as it built up. But that has not occurred. The airline has been able to cope with all of the cargo and as I pointed out, they have made more money from cargo this year than they did last year. So it is not that the cargo has decreased. They are bringing the cargo that is available so that the aircraft is proving very, very suitable for the run.

In case somebody did see a DC-6 on the tarmac sometime in the past couple of months, that aircraft came to bring an engine for the CAL/Shorts aircraft. I am reliably informed that neither the 727 nor the 737 would have brought the engine. So whatever aircraft we had at that time they would have had to bring in the DC-6.

The Member for Tourism, Aviation and Trade is well qualified and capable of responding to this Motion and will do so in much more detail, I am sure, than I have. But it should be understood that irrespective of what is being said now, that the Backbenchers did go out and bad mouth the airline, repeatedly and it had an effect on the travelling public. And they should be sorry about that. They should admit it.

The Third Member for George Town should also accept that his contention that it was not just coincidence that the revenue of the company should decrease when the new aircraft were put into service was mischievous and erroneous. It certainly was coincidental because of the extra competition on the route.

In the interest of time, I thank you.

**MR. PRESIDENT:**

The Honourable Member for Tourism.

**HON. W. NORMAN BODDEN:**  
4/90 in regards to the appointment of an independent firm or persons to examine all aspects of Cayman Airways, including the inter-Island service.

Mr. President, I rise to speak to Private Members Motion No. 4/90 in regards to the appointment of an independent firm or persons to examine all aspects of Cayman Airways, including the inter-Island service.

I know that there is a practice of waiting to be last in this House



to speak so as to take a piece out of the next Member, as it is commonly put, but I will be putting across my position regarding Cayman Airways and this Motion supported by fact and when I sit down today, I will be satisfied that I have exercised my right as the Member responsible for Cayman Airways. Before I continue, I would like to thank the Honourable Member for Education for his able contribution to this debate and the many areas that he has attempted to clarify. Additionally, I had somehow hoped that this Motion would have been similar to the Motion which preceded it. The one dealing with the International College of the Cayman Islands but I suppose that I should have known better. I guess I have been here long enough to know that any matter that is brought to this House dealing with Cayman Airways will certainly generate much debate.

The Second Elected Member for the Lessor Islands, the Mover of this Motion, has raised many areas and aspects of the companies operation which I will address in the course of my debate. Let me say from the outset that I have no problem in accepting this Motion. As mentioned by the Mover, I did meet previously with him and I am pleased that general agreement was reached on the Motion.

One of the prime changes being, was to take the matter to Finance Committee rather than a Select Committee where I was concerned it might get bogged down because, as I stated, I want an examination or a study, whatever it might be termed, of Cayman Airways to be conducted and I want it done as quickly as possible. I must also say here that I am also pleased, in fact, it is encouraging to see that both sides of this House agree on this and for a Government which has been so severely criticised for employing experts, I am happy that we agree that experts are indeed necessary in this case.

Before continuing, I would just like to deal with the two opening paragraphs of the Motion regarding the profit that was made by Cayman Airways in 1989. Indeed this was very encouraging. But why I want to address this at this stage is because the inference has often been made by some Backbenchers and as the Member who spoke before me said, when I refer to Backbenchers dealing with the matter of Cayman Airways, I exclude the First Elected Member for the Lessor Islands who has always supported Cayman Airways.

The inference has been made that because of this profit that was made at the end of the financial year in 1989 that had the 737 not been introduced, the company would have gone on making a profit. That inference has been made and I would like to repeat as I have done here on other occasions, that the problems that Cayman Airways are facing today are not related to the introduction of the 737 aircraft into the airline system. As was known, the profit was attributable to the withdrawal of Eastern Airlines for a large portion of that financial year and the fact that savings were experienced due to the transfer of major maintenance checks and services from Miami to the Cayman Islands, where this service can be conducted at less cost.

The second portion deals with the subsidy and the subsidy is a modest one. It has been a little over \$1 million for the past 6 years and in spite of inflation and in spite of the increased cost of doing business Cayman Airways has not, to this date, asked Government to increase it. But I maintain that if all Cayman Airways needs from the Government is that modest subsidy or even if it ever became necessary to double it, is still a good investment for the service which this country receives in return. Furthermore speaking of national airlines being subsidised by Governments, it was interesting for me to note in the Gleaner not long ago an editorial where the Jamaican Government has had to subsidise Air Jamaica to the tune of \$50 million per annum.

The Mover referred to a similar Motion which he brought to this House last year and which was rejected on an 8 to 7 vote. I think he referred to it as a slim margin. The First Elected Member for the Lessor Islands did wisely and cast his vote with the Government and I appreciate that. I am sure that Members will recall the debate on that particular Motion. I did not support it at that time, only because it called for the 12 Elected Members to conduct the examination of Cayman Airways and my view was that with due respect to Members, I do not believe that Members are equipped or sufficiently airline experienced to deal with an in-depth study of the national airline. Furthermore, it is not proper in my opinion for 12 politicians to be involved in such an exercise.

I indicated at the time to the Member, the Mover of this Motion that I would support a study of the airline providing it was conducted by outside, independent experts, and this remains my position. I took action to put plans into motion for such a study to be carried out. I do not, however, accept the Movers arguments that had a study been done at that time that certain problems which have arisen might not have come about because I believe that any study of any work was bound to support the decisions taken by the Government and the company, especially over the past year given the situation with which it was faced. Furthermore, had those decisions not been taken then Cayman Airways would today be faced with far greater problems, not less because instead of austerity measures being taken through close co-operation with management and the staff in an effort to save the airline and to keep it providing a valuable service to the country, as I said in January during a press conference, those two 727 aircraft would be parked at Owen Roberts International Airport waiting for their owners to come from Texas to collect them.

It has been publicly stated by some Members that a study should be conducted. I have restated that I welcome this. In fact, after all that has been said I would insist that one be carried out. A thorough examination should serve the useful purpose of bringing debate, rumours and speculation if not to satisfactory conclusion to all, then certainly to a realistic and factual position. It should at least serve to reduce the number of self-appointed airline experts.

I do believe that the Chairman, members of the Board and the management of the company who, after due consideration, made recommendations to my Portfolio, which I accepted and took the normal route through Executive Council. I believe that any study, as I said, of any work is bound to vindicate those persons involved and the decisions taken.

What has been done in the company to improve equipment, to

continue to provide a safe, dependable service. The efforts to place the airline in a stronger competitive position, the decisions taken to obtain and develop new routes in order to enable the national airline to make a greater and more meaningful contribution to our developing tourism industry. These have all been made with the genuine interest and concern for the company and the country.

These steps have all been taken in order to never ever allow history to repeat itself where we would again become totally dependent on foreign airlines to maintain our air links with the outside world, nor to operate the inter-Island service. Air links which are so vital to our continuing well being, growth and development.

Foreign airlines have their place, and some of them, no doubt, make a contribution to our tourism industry and from a tourism point of view I appreciate this. But with regards to how much they advertise the Cayman Islands as a tourist destination it must be borne in mind that Cayman is only one of many, many destinations for any major U.S. carrier. Whereas, a service to Cayman is what Cayman Airways is all about. No one need believe that a lot of the U.S. carriers advertising dollars are spent on Cayman. But as I have said they make a contribution to tourism as long as it is profitable to them to do so. It is never my intention to speak disparagingly or unappreciatively of any of them, nor to take a hard line against competing carriers.

My position is that our market can only support a limited number of airlines at this time and excess capacity is being provided which is adversely affecting Cayman Airways; Cayman Airways is my priority for very obvious reasons. Its preservation is of paramount importance. It is an essential service and should be treated just the same as any other public service which the Government provides.

The Mover spoke of weighing Cayman Airways costs and contribution against other means of transport that might be available to the Cayman Islands. It is true that there are many countries, perhaps bigger and stronger than the Cayman Islands which do not have a national airline. But the fact remains that many of these small countries pay a price. Service is often curtailed, tourism success is many times questionable due to the suspension of services and many of these small countries live under the threat of withdrawal of air services and so on. I based on what I have just said on press reports. I would not say that Cayman Airways should be maintained against all odds. But I tell you attempting to operate and continue to build a successful tourism industry without Cayman Airways would indeed be a retrograde step for our country. I trust, I sincerely trust that it never happens. Not in my time or during the tenure of anyone else.

I do agree that a proper evaluation by experts will provide the information we need on this. I agree that the study is necessary to enable the Government and the company to forecast and establish quite clearly if the national airlines contribution to the country justifies Government involvement and responsibility for the airline. Including the need for an annual subsidy.

So I, like other Members, await with much interest the report from the experts. I am as anxious as anyone else to have this information available to be tabled in this honourable House, where it will become a public document. Awhile ago I mentioned excess capacity and other U.S. carriers operating here. Before I move on, I would like to take a few minutes to explain the moratorium that was placed on Miami because many times I have heard it mentioned and claimed that this was brought about because the Government had no business terminating the moratorium. The point I want to make here, that it was not a matter of the Cayman Islands Government deciding to terminate the moratorium on Miami, that decision did not rest with the Cayman Islands Government.

In 1983, with the help of the United Kingdom Government and this Government, an approach was made to the Americans. It was recognised that Cayman Airways was a small airline struggling for survival and that it needed special consideration. As a result of the approach made to the Americans it was decided that the U.S. Government would place a moratorium for 2 years on the Miami/Cayman route.

After the elections of 1984, I found out that the moratorium was about to expire in April of 1985 and I once again, not once again because I was not involved in the original moratorium - I should make that clear, realising that the moratorium that was originally placed on Miami would expire in April of 1985. With the assistance of Cayman Airways and its legal advisors, the U.S. Government was again approached to extend this moratorium for another two years. We were successful in getting the moratorium extended the second time. So one was put in place to run from April of 1985 until April 1987.

The grounds on which that moratorium was justified was that we had a small tourism market. We had only a small number of hotel rooms to be filled and that over the past two years the tourist accommodation had not increased appreciably. Towards the end of 1986, we were once again faced with the moratorium on Miami expiring, so I met with Cayman Airways and their legal advisors and we reviewed the situation to decide whether, for the third time, the Americans could be approached for a further extension. Our research revealed that there was little likelihood of the Americans agreeing the third time to a two year moratorium on Miami because the situation had changed. We had the Hyatt Regency Hotel and the Treasure Island hotel which had opened. We had opened over 500 hotel rooms put on the market. So the conditions under which the moratorium was renewed a second time did not exist for us to put a case to the Americans for a third time.

I have kept saying that the moratorium was on the Miami/Cayman route. I say this because under the bilateral which was signed in 1977, known as Bermuda II, at the signing of that agreement the United States carriers were given unlimited access to the Cayman Islands from any point in the United States of America. In exchange for that Cayman Airways was only given the Miami route and they were given Houston. What happened was that we were given a choice, a position where we could choose two of five points and we had inaugurated services to Miami in 1972 and Miami remains our great and better route and Houston was selected as a second point.

We only had three or four months before the moratorium on

Miami would expire and in our discussions it developed that if this Government was inclined to agree to the moratorium terminating three months early, that we would in exchange be given access to three unnamed points which, in reality, gives our Government unlimited access because of the size of Cayman Airways and its limitation in developing new routes. But what was good about that agreement was the fact that any of those three unnamed points can be changed by this Government giving the U.S. Government 90 days notice.

I mentioned Bermuda II awhile ago. While it did not come up in this debate I did see it in a statement that was put across at a public meeting by some of the Backbenchers and it said in that that I was a member of the delegation that negotiated Bermuda II. I am here to tell this House that that information is not correct. I attended those meetings as a representative for the airline, as an observer because in those days, in 1977 I was the managing director of Cayman Airways and I was not a part of any delegation that negotiated Bermuda II. It was, in fact, negotiated by Shovelton for the United Kingdom Government and a Mr. Boyd, for the American Government. I was only there as an observer.

In considering Cayman Airways contribution to the development of tourism which is one of the prime reasons it came into being, one must also bear in mind the substantial direct contribution through the operation of non-stop services from prime U.S. cities other than Miami which foreign airlines are not prepared to pioneer and develop at their own cost but definitely a service that the country needs. In spite of the fact that U.S. carriers have held the rights to operate services to the Cayman Islands from any U.S. city they have not seen fit to do so and I can only conclude that their reason is based on economic grounds and they have so far only been conducting an operation through Miami.

In supporting the point of the contribution which Cayman Airways makes to tourism through the operation of services from points other than Miami, I would like to inform this House that during the past 12 months Cayman Airways has brought in 16,882 passengers from Houston; 11,332 from Tampa, Florida; 10,591 from Atlanta; and New York from December 15th to the end of February - 3,997; a total of 42,803 passengers.

The point I would like to make here is that I dare say at least 50 per cent of those passengers would not travel to the Cayman Islands if they had to be routed via Miami. There can be no doubt about this. But once again the experts will tell us. I am confident that there is no airline expert of any repute or experience who would not be able to say in honesty, fairness and truthfulness that these have all been positive developments for the airline and the country. Additionally, there is also the contribution of some \$20 million annually that the airline injects into the local economy through salaries and other payments which remain in the Cayman Islands. Having a national airline is prestigious but with Cayman and Cayman Airways in our particular case it is much more than prestige and emotions. It also has a meaningful economic value in my opinion.

Comments are often made with regards to requests for information on Cayman Airways. I believe that more has been recorded in the Hansards of this House, more time has been spent, more parliamentary questions have been answered on Cayman Airways than any other subject that I know touching the lives of the people of the Cayman Islands. To understand the controversy surrounding the airline. To understand the political flack that is always generated in connection with the airline, without going too far into history, it is always necessary to consider from whence the company came.

Cayman Airways was started in 1968 to provide a safe, dependable, international and inter-Island service and to give the Cayman Islands some measure of control over our tourism development. The airline, in spite of its struggles, faults and shortcomings has certainly met those objectives.

I am not trying to claim that the airlines operation is perfect. Through the years the airline has gone through many changes but indeed, some progress has been made thanks to some of their staff and to many hard working, honest and decent people, many of whom give up their time and interests to the airline with little or no reward. Management has gone through changes too.

While there are admittedly still problems, as there always will be, Cayman Airways is a reasonably well run airline by anyones standards. That is for a company of its size. But then again the experts will tell us. But the fact remains that Cayman Airways today has a safe, dependable record in its 22 year history of which it and all persons connected with it can be justly proud. This is due to the professionalism of their air crews and competent ground staff. Cayman Airways also has an excellent on-time record and performance by industry standards. And regardless of what the Member, the Mover of this Motion, says about the Shorts being short Cayman Airways provides a reliable and dependable service to and from and within the Cayman Islands.

Cayman Airways has always had a struggle to survive. It has always been a financially troubled airline. I agree with the Mover when he says that it was controversial from day one. But as I said earlier, in order to understand the controversy surrounding Cayman Airways, and which regardless of my hopes or anybody else's hopes, I believe will always exist as long as the Government is the sole shareholder. So I am hoping that perhaps not in my tenure of office but down the line some day in the future Cayman Airways can be at least semi-privatised. I realise that this cannot be done until the airline reached a break even or profitable position but I believe that the Government should be relieved of at least some of its responsibility for the airline.

Speaking about the controversy as I said, one has to remember and recall from whence the airline came. From 1968 to 1978 - for 10 years - the airline was operated through an agreement between the Government and Lacs Airline. The Government had a partner in this venture. Government had someone with which to share the responsibility and the financial burden for the airline. However, all that was changed in 1978 and I am not debating now whether that decision was right or wrong. Having worked on both sides I think that it was the right decision. I think we had reached a stage where we needed to control more of our operation of air services to these Islands so I have always supported that decision. But nevertheless, it

is the reason why there is controversy surrounding the airline from that day.

Cayman Airways is too important a service to be a victim of political differences and it is unfortunate but it is true because of having a history of being a political football. This has produced many difficulties and disadvantages too for the airline. It has also been undercapitalised from its inception. The small route structure especially in the early years caused it to suffer from under utilisation of its aircraft which produced high operating expenses which in turn cost the country a tidy sum over the years. In fact at one stage it was necessary for the Government to inject some \$16 million into the airline to keep it going.

I have always said, and I repeat here, that when you speak of the viability of Cayman Airways, Cayman Airways has always lacked the basic economic factors necessary to make it viable. Therefore it has to be subsidised to survive and continue. But the airline business is not a particularly profit oriented business, otherwise there would not have been the many airlines that have gone under and the many that still struggle for survival. So this brings me to the point that if the Government of the day in 1978 had conducted any form of study or sought any form of expert advice, that is independent expert advice, perhaps Government would not have gone into the airline business and we certainly would not be debating Cayman Airways here today. But it was not done because no one seemed to think it was necessary in those days and Government entered the airline business in a haphazard fashion.

You speak about Cayman Airways and information being made available, according to the Hansards of this House, when that step was taken by the Government the public of this country was told that Cayman Airways would not take one penny from the Treasury of this country, it would put money into the Treasury of the Cayman Islands.

It is my firm opinion that the Chairman of the Airline, Mr. Neil Cruikshank, the Managing Director; Mr. Tino Gonzalez; Deputy Captain Kel Thompson; Captain Chris McLaughlin and the rest of the management team plus the Board of Directors are doing a good job for the airline and the country and any examination or study, as I said previously and I repeat, (I know there is a lot of repetition here beside the one I put across Mr. President). I repeat any examination or study is bound to support the decisions taken by the Government and the airline and certainly want to see this study done.

Problems? Yes! The airline has many problems. Solutions have to be found. Austerity measures have to be taken in order for the airline to continue. But in spite of these I want to ask: When, in the history of the airline has it been able to offer service to the travelling public in brand new, swift, modern, cost effective and efficient jet aircraft; When has it been in a position to pay a cash deposit on the aircraft it leases for its operation? Although, as in any other business, there are bills to be paid and there is in place a working funds overdraft. But even in spite of all this, when has Cayman Airways ever had a cash deposit of over \$3 million to its credit which is earning some interest? When has the company been in the position to relieve this Government, the Cayman Islands Government of \$16 million in guarantees and return to this Government \$5 million cash which was held in an escrow account in the United States for eight years? When before, in the company's history were they able to have an aircraft study prepared in-house, totally free of charge? It did not cost Cayman Airways one cent. When were they in a position to offer to provide a daily jet service to Cayman Brac for equal or less cost than the current commuter type service is being provided for? When did the company have rights to serve 5 U.S. cities and were able to provide non-stop service to boost tourism to the level that it has?

Bearing in mind the express view that a study should be done, in December of 1989. I held a discussion with the firm of Towers and Perrin, a company which offers a wide variety of services including airline consultancy and a company which, as was previously stated, has done work for major airlines such as Air Canada, Lufthansa, United Airlines, KLM and several other successful airlines. I asked Towers and Perrin to prepare a proposal which I received in January. I took the proposal to Executive Council and the proposal is now en route to Finance Committee for their consideration.

Let me say here that I believe Towers and Perrin is a reputable, professional and experienced firm. However, I hold no brief for them or anyone else. In fact, any contract will have to go out to public tender. I see no reason for any attempt to be made to hold this company up to ridicule because I believe the company, as I have said, is reputable. But if the decision is taken by the Public Tenders Committee to select any other company of the short list that might be presented to them, once Finance Committee approves the funds, whether it be Towers and Perrin, Swiss Air or whoever I think that this procedure will be followed to its conclusion. I envisage the same procedure as outlined by the Mover and I will keep Members of Finance Committee informed through progress reports. I certainly look forward to the day that the final report is tabled in this House.

A proper report is timely, as it is now slightly more than four years since the Swiss Air report was done, I sincerely believe this should go a long ways, as I have said previously, to clearing the air on many matters relating to the national airline. Hopefully, it will serve to settle the dust and help to gain wide spread support at all levels for the airline, which is so vital to its survival and success.

I have listened attentively to the presentation of this Motion by the Mover and I would now like to address some of the other points which he has raised. Mention was made of Governments liability for the airline and the confrontation that developed over the decision to change the 727 for the 737. It was mentioned by the speaker before me and I would like to repeat it. It is significant to note that the Government has provided no guarantees for the 737 lease, as was the case with the 727 aircraft where the Government had to provide guarantees totalling \$16 million and where \$5 million in cash was held in escrow.

The Government has now been relieved of these guarantees and the cash has been returned to the Government. Cayman Airways paid \$2 million security cash deposit which, as I understand the terms of the lease on the 737's will be forfeited if Cayman Airways defaults on its lease arrangements.

As was also pointed out previously, already the 737 lease has

increased in value. It is my understanding that since those aircraft were leased by Cayman Airways, that the going rate today, to lease a 737-400 is at least \$20,000 per month higher. So just the same as the 727 lease was sold, the 737 lease will increase in value and one day, if necessary, and if the company decides that it needs to do so, the 737's can also be leased at a profit to the company.

To touch on the remark made by the Mover regarding the confrontation which developed. In all honesty, I have searched my mind and it still baffles me why a good, straight forward, sensible business arrangement should have brought about such a confrontation. I still wonder if it was not a matter that Cayman Airways was an easy prey and that with the history of political controversy surrounding it. I wonder if the opportunity was not seized upon to use the Cayman Airways issue as a scapegoat.

My recollections of what started some of this controversy was the fact that there were a few Backbenchers who attempted to back down on support which they originally gave to the Cayman Airways proposal. And the country knows the history of what happened after that. The issue was taken far and near, the public platforms were filled up, there were meetings and there were all sorts of allegations being made, wild accusations and many unreasonable demands were being made on the Government and the company. The country is well aware of what happened and I will not attempt to detail that at this stage.

The Mover has also spoken of the Elected representatives rights and the peoples right to know. No one is denying this. No attempt, to my knowledge, has been made by anyone connected with Government or the airline to conceal or withhold information. There is absolutely nothing to hide that I know of. But at the same time, the company's right to privacy and confidentiality must be respected. It is engaged in a very competitive business. It must often deal with second and third parties. There are many agreements which must be treated as confidential and I do not see anything unusual with the company releasing information to Members of this House on the condition that certain items and certain matters that are sensitive to the company be treated as confidential.

**MR. PRESIDENT:**

At that point we will suspend proceedings for 15 minutes.

**PROCEEDINGS WERE SUSPENDED AT 11:24 AM**

**PROCEEDINGS RESUMED AT 11:55 AM**

**THE HONOURABLE FIRST OFFICIAL MEMBER  
TOOK THE CHAIR UP TO THE LUNCH SUSPENSION.**

**MR. PRESIDENT:**

Please be seated.

Proceedings are resumed. The Member of Tourism continuing.

**HON. W. NORMAN BODDEN:**

Thank you, Mr. President.

When we took the break, I was speaking on the rights of elected representatives to know about Cayman Airways and the people's right to know and I made the point regarding respect for the confidentiality of certain company information. I would like to move on now to deal with the Backbenchers request for information.

Different inferences have been made and claimed to have been made regarding the delay and lack of information and some Members claim that they cannot get information, or it takes a long time to get it and then when they get the information they cannot say anything about it. I recall several Finance Committee meetings in which the issue on Cayman Airways were discussed. At those meetings there were papers handed out to Members of Finance Committee. Cayman Airways officials and the Chairman attended at least three meetings of the Finance Committee to explain and to clarify certain matters in connection with the issue of Cayman Airways. I have supplied some of this information. In fact, most of the information that I received a request for has been supplied.

I agree in some cases there were delays because the lease agreement, for example, were of high volume and other reasons caused delays but to the best of my knowledge, most of this if not all that I had received requests for had been supplied with the exception of a request which I received from the Third Elected Member for George Town at 3:30 p.m., on February the 20th. I would like to take the time to read this but this request was handed to me at 3:30 p.m., on February the 20th and it had obviously all ready been given to the press because the same letter, or a letter requesting similar information appeared in the press on the 22nd, less than two days after I received this from the Third Elected Member for George Town. A request which was a memorandum addressed to me from the Backbenchers excluding the First Elected Member for the Lessor Islands, and it was signed by Mr. Truman Bodden. He said:

"Would you please let us have the following of our original request and new matters which we now need due to the delays in time since our original request."

The items that I will read off in comparing what information I have already submitted, at least 90 to 99 per cent of this information being requested on the 20th of February is new information or overlapped, duplicated information. He says:

"Specifically we need detailed Profit and Loss accounts and balance sheets for November

and December, 1989 and January and February 1990. Monthly and annual load details of load factors and numbers of paying and non-paying passengers for the past three years. Details of how Cayman Airways budget was arrived at including the estimated hours utilisation, load factor of, and number of passengers on the jets. The breakdown of how the losses of the Grand Cayman/ Cayman Brac/ Little Cayman route were arrived at, with comparisons for the past three years. All related memorandums, letters and documents relevant to the sale and lease of the old and new jets, including alternate offers and reports. Cash flow projections for the present financial year and finally details of all measures now being taken to deal with problems."

I am sure anybody listening to this will agree that this is a tall order and it could be very time consuming. While some of this information would be readily available in the form that it has been requested, it would take some time to produce. But, nevertheless, I have sent this request onto the Managing Director of Cayman Airways and I am sure that the information will be supplied. The supply of information is one thing, but even I myself as the Member have sent letters to the Backbenchers and these have also been ignored. I have had no response.

The Mover noted the changes in the aircraft which had taken place in the past 12 years. In those years we have had the DC-9s, the BAC-111s, the 727s and now the 737-400. That is to operate the international and local services. For commuter type aircraft specifically assigned to the local service we have had at least 10 different types of aircraft and none of them have been totally satisfactory.

But the aircraft, the new 737's that the company has been able to lease is definitely an improvement to all of the services which Cayman Airways provides to the travelling public to and from and within these Islands. Much has been made about the Shorts aircraft and its inadequacies. I would not say that this is the most suitable aircraft. I am sure that from the inception of the inter-Island service there have been complaints and that there is always room for improvement, but much of the problems with the Shorts aircraft stems from the fact that it is a commuter type aircraft and any commuter type or one plane operation would be exposed and would experience similar problems to the Shorts aircraft.

Mention has also been made about the poor and unreliable inter-Island service and its effects on tourism. I accept that because of many operational difficulties that out of the two Sister Islands, the Little Cayman service has not been to the standard that neither myself nor the company would like to see it. It needs improvement and steps are being taken to address that. But the same is not true about Cayman Brac because when the Shorts aircraft is down, the jet is sent to Cayman Brac.

Tourism to Cayman Brac, in my opinion, has not suffered due to a lack of adequate airline service. The occupancy rates in those hotels have been high and I believe that the service which Cayman Airways is providing to Cayman Brac is certainly safe, reliable and adequate.

The question was also raised with regards to the preliminaries conducted by the company before the decision was reached to lease the 737 aircraft. This was done after a proper study and research which, as I said earlier, cost the company nothing. It was done for the company free of cost. I can say that on other occasions, when that decision in the company had to be made, that is to change aircraft, that the company generally got the type of aircraft that some senior pilots preferred or wanted and also what was available on the market at the time. Not what any study recommended.

It has also been said that the Government knew that these new airlines, that is American Airlines and the increased competition was coming, that the Government knew about this from April, 1989 and therefore the decision to change aircraft should not have been taken. We did not know for sure in April, 1989 exactly when any of these aircraft were coming back in or establishing a new service. But even if we did, it was all the more reason why the decision should have been taken to lease an aircraft as the 737 aircraft because that aircraft because of its favourable operating costs have placed Cayman Airways in a stronger and more competitive position.

In January of this year, I sent to the Clerk of the Legislative Assembly the following information for onward transmission to the Backbenchers. It is a statement on the U.S. carriers designation and inauguration of services. It deals with the point or the claim that the Government knew of the competition developing in April, 1989.

- (1) Under the United Kingdom/United States Air Services Agreement which was signed in 1977 any number of United States airlines are permitted to provide scheduled air service from any point in the United States to the Cayman Islands.
- (2) In order to inaugurate service the United States airline must apply to the United Kingdom government for designation and after that the airline can announce a date it intends to commence service.
- (3) It should be noted, however, that there is no time limit or even obligation for any airline to actually inaugurate services after being designated. In fact, many airlines obtain designation and actually start up services some years later, as will be seen in two of the following cases:
  - (a) Pan American Airlines
    - (1) designation on the Miami/Cayman route in September, 1985,
    - (2) Submitted schedules on August 11th, 1989, and
    - (3) Inaugurated services September 23rd, 1989.

- (b) Eastern Airlines
- (1) designated on the Miami/Cayman route in September, 1985,
  - (2) Submitted schedules in December of 1986,
  - (3) Inaugurated services on January 6th, 1987,
  - (4) Suspended services on March 6th, 1989,
  - (5) Submitted schedules to start up service again on September 25th, 1989, and
  - (6) Recommenced services in November 1989.
- (c) American Airlines
- (1) applied for designation on March 21st, 1989,
  - (2) was designated on the June 1st, 1989,
  - (3) submitted schedules on August 31st, 1989, and
  - (4) inaugurated services on November 1st, 1989.

I trust that that claim, although unfounded, will not be repeated.

The Mover also spoke on the poor financial results since the 737 aircraft was leased due to increased lease costs and claims that the savings on fuel was cancelled out by the loss of other revenue and the loss freight carrying capacity, basically due to limitations on the 737 aircraft. I have before me a comparison of expenses which was done for the month of December, 1989 comparing the 737-400 operating costs against the 727-200. We have taken seven areas. The aircraft lease cost, the fuel, the crew, the maintenance, the landing fees, the Cuba overfly and the servicing of a \$6 million debt for major checks that would have had to have been carried out on the 727. The difference in favour of the 737-400 is \$246,164 in one month.

There can be no doubt that from a cost saving point of view, from an operational point of view, from a passenger appeal point of view that the decision to lease the 737 aircraft was the right decision as far as Cayman Airways is concerned. I think that time will bear this out.

I would also like to refer to an article which appeared in the Caymanian Compass on Monday the 5th of March and it supports the point which was made by the speaker before me regarding Cayman Airways freight and its ability to transport cargo on the 737.

"Cayman Airways carried 378,921 pounds of international freight in January, 1990, according to Mr. Mike Adam, Senior Manager for Ground Services. "Our January 1990 freight loads were an increase of 70,854 pounds over the month of January, 1989," Mr. Adam stated.

"We are pleased that our new Boeing 737-400 jets are carrying substantially more cargo than the 727s during a compatible month," Mr. Adam continued.

"Cayman Airways plans to continue to meet the growing needs for cargo to and from its various destinations with the 737-400 on an on-going basis," Mr. Adam concluded."

There can be no doubt too, that Cayman Airways has lost some business, especially in the local market due to allegations and alarm that was spread on the safety of the 737 aircraft. But I am pleased to say that the aircraft has proven itself. Some of our old customers are returning to Cayman Airways and I am certain that the 737-400 will come through with flying colours.

Mention was also made as regards to political feelings about the change of the aircraft and an element of protest that developed. It was said that the Government should take note of the people element in changing the 727 for the 737 because it was associated with a past Member responsible for the subject. The claim that the change was made for political reasons is the most ridiculous claim I have ever heard and only irresponsible people would say this. The change was made after a proper study and research and the decision was taken on sound business and economic principle as will be proven.

I hate to say this, but I have to think through all the debate and discussion that has gone on in the past year, I have to think Poor Mr. Jim. I believe it would do his heirs good if he could only hear all the nice things that people are saying about him after he has passed on, especially from those who so severely criticised him.

The Cayman Airways issue must be brought to a conclusion and settled, hopefully, once and for all. I sincerely offer to do whatever is necessary to assist in this process. If this study accomplishes this, then it will be worth the investment and the time. It needs to be done quickly. This matter needs to be settled in the good interests of the company and the country.

The Mover also said that he does not advocate how either Member should run the Portfolio and he referred to a public statement by Board Members. Cayman Airways is one of my subjects. I have responsibility for the airline, but not the day-to-day management of the company.

The Board of Directors, the Chairman of the Board and the Managing Director are all appointed in accordance with the Articles of Association of Cayman Airways Limited. I, of course, work closely with the Chairman and I must say here that I support the statement he made which was referred to by the Member because I know what he said publicly and any request for meetings from Cayman Airways management and staff to the Backbenchers was an honest and genuine attempt to settle any arguments or clarify any area of the airline. This was done out of concern for the company and for the future of the company and to ask for support which the company badly needs.

No one is bypassing my Portfolio. I am in charge of that until

1992, with God's help and anyone who tries to circumvent and deal with the subject for which I have been made responsible, they will hear about it. There have been calls from some of the Backbenchers for resignations of the Chairman of Cayman Airways and the Managing Director of Cayman Airways. There have been threats made which appeared in the press that if they do not resign, Cayman Airways will not get any approval for a subsidy in the future. I consider that one step as trying to run and circumvent the Portfolio for which I am responsible.

The Chairman and Managing Director, as I said earlier are appointed in full accordance with the Articles of Association and if the Backbenchers have the authority to remove these officials, then I say loud and clear that they must assume responsibility for the operation of the airline.

Much effort has gone in by management to cut costs and to maximise revenue earnings for the company. The staff has been most cooperative with this. Management is doing, what I consider to be, a good job under the circumstances to keep the airline going. Cayman Airways needs the support of all in these Islands if it is to survive. The Government is doing all possible to see that competition is kept to a reasonable level and efforts are continuing in this regard.

The Mover also made mention of the plight of Cayman Brac and Little Cayman for a reliable air service. This has never fallen on deaf ears. Their need for a dependable service which they have been getting to a great extent, especially Cayman Brac, has never been neglected or ignored. And never will be as far as I am concerned. So no one need remind me of the importance of this service. I fully realise its importance because I have been connected with the inter-Island service in one form or another from its inception in April, 1954. I know there is a need. I understand the needs of the Lessor Islands and while there are problems to be solved, believe me, I will go the extra mile to see that the service to Cayman Brac and Little Cayman is not neglected.

Much time and effort and money has been spent on this service. And I said while there is naturally room for improvements, and improvements will be made, there is no community in any part of the world with the size market and the size population which receives and enjoys the level of airline services that the Lessor Islands receive today.

I must tell you that I find the Movers comments on the reliability of the Cayman Airways service to be unfair. At Question Time I took an opportunity to explain to this House the companies plans for the scheduled jet service to Cayman Brac effective April 1st. And I took note of the Movers remarks about the reliability of even the jet service. This jet shuttle service is possible because of the favourable operating costs of the 737-400 aircraft and it can be provided at the same or similar cost as it is to maintain the Shorts service. This would not have been possible with the 727 aircraft. This service that is proposed will be implemented and it will continue but it must receive support and cooperation as well.

I realise that there will still be complaints. I realise that the times will not be suitable to everyone, but you know, it is also a fact that when one wants to travel at a specific time only to suit their convenience, then that is what the charter service is there for and I believe that Island Air is there for that business and I think they themselves are doing a good job.

There will be plans to dispose of the Shorts aircraft eventually. It will be put on the market for sale but I am not able to forecast exactly when that will come about. I can only say at this stage that it is the intention of the company to dispose of the Shorts aircraft.

One point was made by the Mover with regards to the proposal from Towers and Perrin and the point was raised on the CAL Projects Steering Committee. Regardless of which consultancy is awarded the contract by the Public Tenders Committee they will have to have a contact person in Cayman Airways to supply information and details and of course, I will personally be closely involved myself. The point that was made on the cost is well taken. I think too that it must be nailed down as firmly as possible, as I do not support open-ended contract either.

I also support that any airline expert must produce hard facts, must have a wide ranging brief so that the Government can be in the position to take decisions as to the future of the airline and to establish quite clearly what, if any, changes should be made. As I said earlier, if this proposed study, if this examination accomplishes what is intended, then perhaps Cayman Airways role will be clearly understood by all and those who come after me to have Cayman Airways as a subject might not have such a hassle. But even more importantly I trust that after this study has been completed and tabled that politics will be one step further removed from the national airline.

Mr. President, I support the Motion.

**MR. PRESIDENT:**  
Member for Bodden Town.

Does any other Member wish to speak? The First Elected

**MR. ROY BODDEN:**

Thank you, Mr. President.

Let me begin by saying in spite of the tenor of the debate I believe when the time comes, this Motion will have the support of every Honourable Member of this House. I would like to compliment the Mover and the Seconder for bringing the Motion and I would also like to compliment the Honourable Member under whose Portfolio this Motion and this request come. I would like to mention or remind Members that much time was spent between the Members of the Backbench, as we are called and I am unable yet to understand if that is pejorative or if it is complimentary. Much time in us trying to arrive at an agreed formula for this Motion. After, I think, three or four rewrites we finally got something which was to the agreement of both sides of the issue. I would like to highlight a comment made by the Honourable Member for Tourism, Aviation and Trade where he said that Cayman Airways is too important a service to be a victim of political difference. I am in full concurrence with the Member on that observation, but I would hasten to say that the system being what it is, it is a fundamental and inviolable right of the Backbenchers to offer commentary. Sometimes this commentary is not



necessarily in total agreement with the Government policies. And unfortunately this is one of those cases. Might I also suggest that the commentary while it may be critical of the Government is not necessarily destructive. But it is unfortunate sometimes, that what is said in good meaning gets misinterpreted or perhaps, expressed in ways which may have not been the original intention. I agree also that Cayman Airways and maybe this is the point that all of us have missed, Cayman Airways offer or offer a or importance to this nation maybe more invisible than it is visible. By that I mean Cayman Airways may never rise to be a profit making venture in the sense that the airline, in and of itself is able to make, for example, \$2 million in profits a year. It may be that we will always, as a country and a nation, have to subsidise it to some point. But I underscore and emphasis the invisible contribution far and away substantiates the existence of the airline.

I believe the Honourable Member mentioned that it ploughs \$20 million into the system. The number of people which the airline employs alone, we would have grave difficulties if the airline went under, accommodating those people in either the public or private sector. Might I then suggest that we have to weigh the invisible contribution versus the visible contribution in determining what position we take as regard to our airline. Now, I am not going to deal with the Motion it self. Only some subsidiary comments and observations that arose from that because I think the Mover and those people who replied so far have done amply well with that. But I would just like to clear up the position of the behaviour of Backbenchers because it was alleged that the Backbenchers were irresponsible and that the Backbenchers had portrayed the notion that the equipment was unsafe, that we were unfair.

The right to disagree, the right to offer alternatives, constructive criticism is a fundamental and inviolably part of the Westminster system. While we, on this side, are as guilty of charging the Government as they are of charging us it remains a fact that we have constituents and we have a right to express our concerns to those constituents. Where the system breaks down is when either party, Government or Backbench, is irresponsible and abuse those rights. As a Backbencher I remain to be convinced that we were irresponsible.

Some of the things which were said regarding the safety of the equipment were not authored by us. But were, indeed, the findings of people who studies the equipment at that time. I cannot recall us setting up ourselves on any authority on the technical aspects of the equipment. We were merely repeating and voicing what was currently in the news at that time.

I would also like to say that to a man from the outset we demonstrated our concern and our identification with Cayman Airways as a national entity which must remain a viable concern. I recall a meeting which was scheduled for all of the Backbenchers for the 12th of February of this year, but unfortunately due to a mix-up in the communications some Members went to a different venue.

That meeting was set up between the senior Caymanian staff members of the airline and four of us Backbenchers: McKeeva Bush, John Jefferson Jr., my now departed but still respected colleague Franklin Smith and myself; by mutual agreement we made a technical recording of the meeting, but each side kept notes. For the Backbench McKeeva and I recorded some things and out of interest I would like to share with this honourable House what I recorded because I believe it will serve to throw some light on our position and to exorcise the devils that are being attempted to associate us with.

The concern, according to these senior staff members was that they were not sure exactly what the position of the Backbenchers with regards to support of Cayman Airways. The very first matter dealt with at that meeting and for the records it was held at the Transnational Conference Centre. There were 13 personnel from Cayman Airways all senior Caymanians. And it would be tedious to call the names of them and I do not think that is necessary anyway. Those fears were allayed at the very opening statement which we made.

They also asked: "Was it a fact that we were attempting to encourage our constituents not to fly the airplanes." Our reply was that that would have been presumptuous, foolhardy and contrary to the behaviour to many of us. We then asked them: "why are you continuously having problems." Their reply: "We are not as informed as we should be and in many cases we are given the minimum of information." Our next question to them: "What are your feelings about the current streamlining measures?" Their reply: "It is coming at an inopportune time. It should have been done a long time ago." They made the comparison that ten years ago the airline had two jet aircraft. Today it still has two jet aircraft but staff have doubled. There is say the good recorder that I am I could go on, but I believe that I have demonstrated that the dialogue and the effort exerted by the Backbenchers were within their parliamentary rights and responsibilities. And that at no time can it be substantially and convincingly proven that we were irresponsible or that we conspired or encouraged anyone to kill Cayman Airways.

It is true there were calls for the resignation or dismissal of the Managing Director and the Chairman of the Board. That was a collective decision and I am not here to make apologies for that because that decision was also condoned by some people who worked for the airline.

The most important information gleaned from this meeting of the 12th of February, 1990 was that on the Miami route, Cayman Airways has 90 per cent of the traffic. This statistic, 90 per cent of its market, this information came from these senior staff. As a result of solicitation by us in trying to determine exactly where the break down was. I believe it was also mentioned that when Miami was the termination route this statistic was even greater.

I do not wish to elaborate on any more of those details, only to say that I believe we stand on common ground. What appears to me is that we have different dreams, different means and methods of achieving this common ground. I would like to be able to say that Cayman Airways should never be a political football. Unfortunately I believe that that would be, at best, a pipe dream.

I would like to see when this Motion is accepted, whatever the findings are, I will not try to preempt them by speculating what they might be, that all of us, Government and

Backbench, work together so that when we are here this time next year the level of vengery and the virulence of the debate, if it is Cayman Airways, will be to a much lesser extent and that we can get away from the charge/countercharge position and really put our collective shoulders to the wheel and try to see if we can get Cayman Airways organised to a commonly accepted position because global developments, ideologically and otherwise, would suggest that we in the Cayman Islands had better be putting our considering caps together because the little wrangling that we are doing now over Cayman Airways, and routes, and competition will be paled if Cuba opens up parastrocka. We will not be wrangling in Cayman in our parliament about Cayman Airways and tourists because they will not be coming this way.

I want to say too that Caymanians are an immensely loyal people. I understand that they do not take too kindly, whether it is their representatives or not, telling them what to do. While we are influential, I do not believe that we have that much influence that if a few of us, as Backbenchers, told them not to fly the airline or discontinue flying the airline that they would discontinue in large enough numbers as to make a significant economic impact. Unless Caymanians have lost some of their independence of mind that I know they have, I would not dwell too long on that thought.

The Motion, as it stands, accepted by the Government and the Backbench will do well to finally let us know what is the true position of Cayman Airways. Whether it can, as an entity survive on its own, to what extent if any, we will have to subsidise it. The Motion started out with giving us the glorious opportunity to work together, to shed some of the adverse elements of politics. But we have also to remember that this is the Westminster system and this system is predicated upon healthy debate, argument, criticism and objections. I do not ever think that a day will come, especially from here on in, when any motion of significance or with penchant for controversy will pass this House by every Member of the Backbench automatically saying yes because in my rumblings there is one word, one item the people say they do not want to see in this Parliament any longer, and that is extension cords. By the same token that does not necessarily mean that because someone may voice concern or objection or criticism that they are a devil or an advocate of doom.

So I will finish with a conundrum or maybe it is a simple paradox. It makes absolutely no sense to pour new wine into old bottles because the old bottles, unless they are rid of all the sediment, will only cause the new wine to ferment and turn bad. I would like to paraphrase it by saying it will only work if the new ideas, the new motions and the new efforts are accepted for what they are. So now that each side has made a little political mileage, let us get down to the business of making the motion work. Thank you, Sir.

**MR. PRESIDENT:**

Proceedings are suspended until 2:15 p.m.

**PROCEEDINGS SUSPENDED AT 12:45 PM**

**PROCEEDINGS RESUMED AT 2:20 PM**

**MR. PRESIDENT:**

Proceedings are resumed on Private Member's Motion No. 4/90. Does any Member wish to speak? The Third Elected Member for West Bay.

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

Mr. President, as the Secunder for this very important Motion I automatically support it. I support the idea of an independent professional firm to conduct an objective review of the entire operation of Cayman Airways to enable us to determine areas of savings and improvements and also to enable us, as Legislators to be in a position to make decisions with regard to our continued financial support of the airline on an informed and objective basis. We need to know what areas of the operation we should focus on.

I think in light of the present financial position of the airline, taking into consideration all that we have heard about excess competition, etcetera that we must now look at all areas and exploring all the possibilities of increasing the revenues of the airline, as well as cutting whatever expenses we may be in a position to do, to enable the airline to continue to operate on a viable financial basis.

I think that the airline should look seriously as far as minimising its expenses, of maybe doing its own ground handling. This is now being done by a private outfit. I must add that they are doing a good job and it is a service that the airline, over the years, has been very proud of. The other thing I think the airline could explore the possibility of maybe doing its own catering which is also now in the hands of private individuals.

I recall when I was with Cayman Airways back in 1985 I had the opportunity of flying from Ireland into Amsterdam and what impressed me, and they had a lot of airlines that flew into Amsterdam, they were all handled by the national airline. I think it is KLM. I think that possibility should be explored here where regardless if it is American Airlines, PanAm or any of the others, we should be in a position where Cayman Airways is in a position to act as their local representatives, providing staffing, handling, etcetera, etcetera. As I said, I think all possibilities must be explored to ensure the survival of our national airlines.

I have said it from many forums and I have said it as recently as the meeting of the 12th of February when a group of us Backbenchers met with senior managers of Cayman Airways. We totally support the airline. I think it is regrettable because I think the people of this country have heard enough from both sides with regard to their position on Cayman Airways and for the honourable Member for Education and the honourable Member for Tourism to take the opportunity to try to once again justify their decision is regrettable.

I think only time will determine whether or not that decision was the right one or not. What we are faced with now is with the decision or the position to ensure that every effort is made despite whatever decisions have been made and arrived at. We have to ensure that our national airline

survives.

The only comment I have to make with regard to a comment both of the Members made with regard to us Backbenchers trying to discourage members of the public from flying the airline, the statistics do not bear this out because at our meeting with Cayman Airways senior managers, it was confirmed to us that the airline has retained about 90 per cent of its local market share. Ninety per cent out of a 100 is a very substantial percentage to retain in the face of the serious competition that the airline is now faced with. But I cannot speak for all Backbenchers and I think the others coming behind me would be justified in addressing some of the comments and remarks made by the Honourable Member for Tourism and the Honourable Member for Education. But I am convinced that the public of this country wants us to put this issue behind us, combine our efforts and our minds to see that we come up with a solution that will ensure the financial survival of our airline.

I think this Motion is a good one. It is calling for an investigation by a professional independent firm or group of persons and I think this is the only way it could be done. I do not think that any of us claim that we are experts in the airline business. I would urge that we put aside this politicking and get on with the job.

When the request comes to Finance Committee for the funds to enable this review to be conducted, I can assure the Member that he has my support for those funds. So I totally support the Motion. Thank you, Sir.

**MR. PRESIDENT:**

The First Elected Member for the Lessor Islands.

**CAPT. MABRY S. KIRKCONNELL:**

Thank you, Mr. President.

I rise to support Private Members' Motion No. 4/90, a Select Committee on Cayman Airways. This Motion, I think will serve a very useful purpose in helping us in our guiding of Cayman Airways. I would like to say at this time that I consider Cayman Airways a very essential part of the infrastructure of the Cayman Islands. I think a person living in the Lessor Islands tends to appreciate Cayman Airways more than those living on Grand Cayman because where Grand Cayman can boast or complain of excess capacity on the route, we depend entirely on Cayman Airways. Cayman Airways has had its problems from its inception. It has been undercapitalised. I do not think any Member in this House would take issue with that. And any company that is undercapitalised has problems.

I feel that Cayman Airways being the second largest employer of Caymanians, second to the Government, is playing a very important part in providing employment opportunities to many young Caymanians. I think of the many young Caymanians who have achieved the qualifications of pilots and other senior position in the aircraft industry. If anything should happen to Cayman Airways they would certainly be at a disadvantage seeking employment overseas. But the country would be at a much greater disadvantage without Cayman Airways.

I think a growing example of this is all the American airlines are anxious to land at Owen Roberts Airport. You are not hearing one of them requesting to land at Gerard Smith Airport where there is no traffic. If there was a downturn in our economy here in Grand Cayman, it would be just like it is at Gerard Smith. The only one that would come in would be Cayman Airways. The other airlines would be gone because the viability of them to continuing to serve the Cayman Islands would not exist.

I have no problem in supporting this Motion. As was mentioned by the Mover, a Motion pertaining to an investigation of the affairs of Cayman Airways was presented in this Honourable House previously and I was not able, at that time, to support it because my interpretation of that Motion was that it was asking that me and other Members of this House investigate Cayman Airways and I thought at that time and I think now it would be a bad precedent for the Legislature to become an investigatory body into the affairs of a company registered under the Company Laws of the Cayman Islands.

The way this one is worded in its resolved section and it says;

"Now be it therefore resolved that this Honourable House recommends that the Standing Finance consider and determine whether funds should be provided for the appointment of an independent firm or persons to examine all aspects of Cayman Airways Limited,".

I have no problem in supporting that. We have heard much debate here today. It is regrettable to me that some of the unpleasantness of the past months has had to be mentioned here again today, for certainly it is not in the benefit of Cayman Airways or the country that we bring this argument back to light.

I am very interested in finding out how we can help Cayman Airways. I say today that we must keep Cayman Airways flying. If we love our country, if we want to keep the Cayman Islands as a prosperous financial centre and a tourist destination we must provide transportation to the Cayman Islands, guaranteed transportation.

I feel all of our other problems we should now put them behind us. Let us unite as we look at this firm, when it is appointed, I am sure they will have the expertise necessary to give the details that they will fully access what is necessary and I ask honourable Members when this report is made, let us do the necessary and help Cayman Airways to get on with being a viable airline, serving the Islands.

I am grateful that we will now have daily jet service to Cayman Brac. I am also grateful that provisions have been made with Island Air, that they will serve the needs of Little Cayman. I felt very good a few weeks ago when I landed Little Cayman for the people to tell me that this is the best air service they have ever had. It is not often you hear those kinds of remarks. It has always been the reverse, we have never had it so bad. But they are very pleased with the frequency in which Island Air comes in and the service that is being given to them.

It is my understanding that Island Air will be putting into operation a larger aircraft than the one they now operate and the present aircraft will be a backup aircraft. This will be the first time that the commuter type aircraft will have a backup plane. In the past when the Lesser were depended entirely on the commuter service and when something happened to that commuter aircraft, the jet came in, in place of the commuter aircraft to Cayman Brac but weather not permitting a boat to go to Little Cayman, Little Cayman was cut off from the outside world. But now with two aircraft capable of serving Little Cayman they are going to be ensured of better service.

In conclusion, I again would like to say that I feel Cayman Airways is as an essential part of our infrastructure as our hospitals or roads or any other part of our infrastructure. We do not particularly look to them to be profit makers. If this country has to subsidise the airline to keep it going, I think it is just going to be something we are going to have to live with but in so doing we must minimise this as much as possible. Mr. President, I support the Motion.

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

Does any other Member wish to speak? (pause) The Third

**MR. TRUMAN M. BODDEN:**  
House.

Mr. President, I support this Motion before this Honourable

I would like to make it categorically clear as we have jointly, the seven of us, on many occasions stated that we support Cayman Airways.

Indeed, Cayman Airways was, in effect, born under the Government in 1977 and 1978 when I was a Member of the Government along with Mr. Jim Bodden and Mr. John McLean and Mr. Haig Bodden. I am sorry, I do not think Mr. McLean was with us in the beginning, he was with us the last four years, I should say. But this airline is one of which I was a director for many years and I think I can categorically say that I put in more legal work for this airline free of charge than I have for any other client who has paid me over my 20 odd years as a lawyer. So it is total nonsense for the politics that we have heard coming from two Members unfortunately, because quite frankly I had only been prepared to speak for a short period but a lot has now been reaped up and this is once again getting thrown back into the past which I hope it had gotten out of.

So I have spent eight years of my life and have given very long periods of time during successful negotiations on air routes which is something that we have not seen for a long time since. Also a lot of time that I spent dealing with the long documents that supported or covered the aircraft that Cayman Airways flew, whether they were purchased or leased or otherwise. So like the Member for Tourism, I have given a substantial part of my life in hard working hours to Cayman Airways, and believe me I would be the last one who would want to see something that was born and nurtured for that long period of time by me to go down or be liquidated or otherwise as he mentioned some months ago, when we were dealing with the subsidy.

I know what problems we faced in the airlines and I do not believe that they are problems that if we could overcome them, why they cannot be overcome at this time. Beyond that seven of us Backbenchers in two statements, and these are very short paragraphs, in it we began the statement by saying;

"We support Cayman Airways and we wish to see it continue successfully, fully recognising its importance and contribution to the Cayman Islands."

We finished that same statement with another brief one which said; **"Lastly, we support Cayman Airways and we wish to see it continue successfully."** This was a repetition of that and the other statement had another brief part of it in which we once again said; **"That we continue to support Cayman Airways Limited and would like to see it continue profitably."** So there can be no doubt in the minds of the public. These were public press releases that we have always supported Cayman Airways. Indeed, that support was not only in written statements or by our mouth but we paid the subsidy of a \$1,050,000, which is what the previous Governments, the extent of their support. We went beyond that. To the Government we gave another \$1.25 million to deal with the New York route that Cayman Airways recently inaugurated.

So we put our hand, our mouth and the peoples' money where our support is and believe me, I do not think that you can get anything more than that to show the clear support that we have for it because Cayman Airways, when it was born under me after the Bermuda II agreement and I will deal with that in some detail and during its continuation, it is an integral part of this country's infrastructure. Good communications is crucial to the continuity of the two main areas of business, tourism and the off-shore sector. Its' importance would only have increased, not lessened over the years.

Let me say this, though, that it is ironic that I spent eight years fighting for Cayman Airways when some Members of this House were taking a course to see it suffer and to hurt it in whatever ways they can. So let us not, since the past which has gone back before my time during the debate here, forget that a lot of the hardship that Cayman Airways suffered during the days of Mr. Jim were reaped on it by Members who these days pay lip service to dealing with problems in it.

I can tell you that some of the most bitter battles and I remember the politics began in Cayman Airways not by us. It began by the people who opposed it during those eight years and it was a constant struggle to deal with it. That was why I surprised today to see a lot of what had hopefully been put to rest many years ago, being reaped back up again. But I think the record has to be put straight because if we leave in the minds of people, allegations which are unfounded then we will be doing an injustice to the Islands as well as to those who have gone from this good earth and I think those parts I intend to straighten out to the best of my ability in this meeting and hopefully, that will be the end of it.

Having said that I fully support Cayman Airways I also owe a duty to the public and to the constituents in my electoral district not to throw away funds unless I look carefully at the position before approving any substantial subsidies or any payment, not just subsidies. But I think that this House, as a mature House with mature people, have a right to look at the underlying facts and to assess the situation before the public funds are committed.

It is unfortunate that in the effort to resist giving the information, to call Cayman Airways a private company when it was doing good and a public company when it got in trouble has blurred a lot of what could have been a straight forward situation. If there had been acceptance that Cayman Airways has probably more of this country's and the people's money in it than most other single assets and it is therefore a public company and somebody has to answer to the public for its act and omissions over the years. No one is trying to get into the day-to-day management of it but it does come to this honourable House for funds which we have been the biggest givers to it. In fact, over double what any other Government has given in any year. Therefore, we have a right to have the courtesy of looking at some documents, looking at underlying factors and trying to see where we can assist with Cayman Airways and its many problems.

I have no hesitation and quite frankly it really gets to me at times to have the broad sweeping political statements that are leveled at us which can indirectly hurt Cayman Airways in its progress to be continued to be leveled even now on the floor of this House. Clearly Cayman Airways has serious financial problems. The solutions are not going to come easy but I believe this Motion is a step towards dealing and coming to grips with a problem that has undoubtedly been brewing for some time now.

A lot was said by the Members for Education and Tourism, Aviation and Trade in relation to the Motion which I supported about a year ago asking for a study into this matter. If the position was such that the only worry was that we, ourselves, were going to try, and I do not know how this would even have been practical or comprehensible, that twelve of us were going to try to go down to Cayman Airways and do some type of expert study over many months. If that was the problem, then it would have been a very simple matter to have had an amendment which I would have happily agreed with and which was going to be done anyway, to say that we would have someone independent go into it, as is in this Motion, and come back to the Finance Committee and this House with a report.

I am not stupid. I am not an airline expert. I have got a fair amount of experience in it, but we all know as we sit down in the Select Committees that the Motions come in a very general form. This time it is different because it is one where we have agreed upon, and certain things have been put in it, but we do not sit down, for example, in the Select Committees of the Protection Law and we call in experts. And during this session on the Protection Law and on the Abortions Law many, many experts were called in and we listened to them and based upon that, we then do a report to this honourable House.

The reference this morning to us as self appointed airline experts, I do not know who they are attempting to fool in that respect other than the public, but I am not holding out as an airline expert. I do know my depth. There is one thing I think I do know after my many years of study, that is the depth of my ability. But the one underlying fact is this and that while it is refuted by the Government I honestly believe if we would have had a study done at that time we would have got to have been a lot further ahead than now, trying to scramble in the middle of a crisis to do the study. The one thing I do know, and this is within my depth, is that management by crisis is a disaster. It takes time to implement the recommendations that may come out of a study. It takes time to do the study and we would have been so much better off doing it in a timely fashion than under a lot of pressure. So I do not agree with the Member for Tourism's statement where he said he feels that that may not have helped the present problems that Cayman Airways now has. I believe that is a good common sense judgement, that prevention is always better than cure.

I would like to move on to deal with another area that has been raised here. It deals with the aspect of the question of privatisation of the airlines. A statement has been made that we should privatise Cayman Airways in the future after a break-even or a profit, or words to that effect. I have always stressed that whatever the private sector can do, provided that it is in a monopolistic position with a necessary service that the proper franchise, that the proper safeguards to the public should be put in it, then by all means let the public do it. All I would say is this. It did make a profit for the first time in June, 1989 and perhaps we may have lost the opportunity. There was a lot of talk about it around about that time, to privatise as we have waited for many, many years to reach that stage.

I believe it would also be good as other airlines have done, when dealing with privatisation to look at participation of key employees in the company because there could be no better way to have a company vibrant, to have expenses cut, than to have the people who are in it actually people who own a portion of it and who are going to look out for their own investment as well.

That does not mean, and let me make this clear, that staff in Cayman Airways are not dedicated. I believe it has some of the most dedicated staff that this Island has ever seen in any one company. I believe they have suffered a lot of trauma over the years and many of them have stayed with it and pushed it forward. But other airlines have taken that course and it is one that I know the Member for Tourism has raised before and perhaps could be looked at. But I do agree it has to be at a stage when the company is going up, not when the company is having financial problems because it is hard enough to float a buoyant company in a stock market. It is extremely difficult to float one which is not in a buoyant state.

The area that I would now like to turn to is one in which I will need to refer to some documents. It deals with the question of what Backbenchers should have or are entitled to have in the line of information and documents to provide the necessary information upon which to make a sensible judgement. We have had a constant struggle and one which is publicly documented, both in the minutes of the Finance Committee and in the statements that we have put forward over the many months to get certain basic documents and information from Cayman Airways.

I know the Member has said words to the effect that he has done what he can and I think he referred to something which I did not quite understand about some correspondence that we may not have replied to which I am not too certain what he is referring to there, but at a very early stage we asked for certain basic documents. One of these that we asked for was the lease agreements of the aircraft and that occurred probably back, and I do have here among the minutes, some five or six months ago in Finance Committee which was based on earlier requests. That document could have been available over six months before it was given to us. So we got that in mid January, I think it was about the 19th, and the Minutes of Finance Committee bear out the consistent requests.

This one is coming from the minutes of Thursday, the 31st of August, 1989 at page 3 where it says:

"Mr. Truman Bodden sought copies of documents, agreements and letters of exchange relating to the deal. Mr. Cruikshank stated the only document he had at hand was the aircraft lease agreement."

But still it took until the 19th of January before copies of this was sent to us. That gives a good example of the consistent problems that we have had in getting available information. I do point out available information which is important to us to try to come to grips with dealing or assisting with dealings with problems of Cayman Airways.

It seems to me that there must be sufficient efficiency that the copying of documents can be done somewhat quicker than five or six months. It leads me to believe, unfortunately, because we not only asked in this but in our statements which I read from earlier, we continued to call for these documents and it got to such a stage that in the last call that we made, there was so much water under the bridge at that stage that we did add further information that we needed.

In very nice ways we tried to jog the memory of the Member for Tourism and his Board. For example, in this request which was done publicly because we did try for a long time through the Finance Committee and we did not get this. We said in the paragraph number 4:

"We were still awaiting some documents and facts previously requested from the Member for Tourism to assist us to further understand Cayman Airways problems in an attempt to assist in finding solutions."

In the end, unfortunately, it was put and dealt with publicly. But what is interesting on this is that what we have gotten, until quite recently, has really not been all that helpful because, for example, we asked for accounts with comparisons comparative to the Budget and in January, 1990 the honourable Member for Tourism sent us the Accounts down to October, 1989. With the greatest crystal ball in the world, Cayman Airways problems began after October, 1989 and this is once again history.

I am not sure from the Member whether this last batch that he sent us I can deal with publicly or not because he did not mention that in the document, so I do not know. Anyhow, there was nothing in that that said otherwise. I am merely referring to the date on it but, it is useless.

If we had a problem from December onwards, as I understand it, for me to sit down and spend my time looking accounts down to the end of October, 1989. I would say this, that if in the middle of January this is the latest up-to-date account that Cayman Airways have, we do have a serious problem.

I would hope that the other several months accounts will be available. I hope that the Honourable Member would let us have them and maybe just say this in fairness to the Member, the Member for Tourism, maybe he has a problem getting this from his Board. I am merely stating a fact that so far what we are getting is in accounts is prior to the problem because this shows the sort of loss I could happily live with. I will not say any more on that.

#### POINT OF CLARIFICATION

**HON. W. NORMAN BODDEN:**

Mr. President, on a Point of Clarification. I would just like to address the area that the Member is speaking on regarding the delay in getting certain information from Cayman Airways. In December, at the end of Finance Committee meeting, the statement that he referred to my recollection is that an item that was asked for was the latest accounts available for the company and at that time we only had up to October and I sent that. However, I can confirm that we have November, December and January accounts which can be sent to them without any problem whatsoever, but it was included in the list dated the 20th of February and I was trying to get all the information together so that I could send it as complete as possible. However, I can give an undertaking to the House to supply all the Member with the accounts up until January, 1990.

**MR. TRUMAN M. BODDEN:**

Mr. President, I thank the Member for the explanation there. However, it does go to show regardless of where the problem rests, the sort of frustrations that us, as Members of this side of the House have had and we did appropriate this \$2.3 million on the basis of hopefully that we are going to get this information because we understood it was needed and it was needed urgently, as the Member said. But I am beginning to become very discouraged because we have tried through even the public open forum with the written statement, and there is a lot of other information that I believe was assist us. What I would hope that is not going to happen when a further money crisis, if it does hit and I do not know, but that we do not have the Managing Director or the Chairman or the Member coming to

Finance Committee and giving us a very short deadline and say you must appropriate this money or we are in trouble.

We used that basis to give out the \$2.3 million and with all of this time that has lapsed in between, let me say this I am not going to give out substantial subsidies of the peoples' money to Cayman Airways or any other organisation unless I am now satisfied that we are doing something that is going to assist the company, that we are not just trying to do a short term solution to something that is going to continue.

It is ironic that it was this long delay in giving the information on the guarantees that the three Government Backbenchers, as they were called in those days, the First Elected Member for Bodden Town, the then Second Elected Member for Bodden Town and the First Elected Member for West Bay that caused a lot of friction between the Government and the Backbench Members who, at that stage, fully supported them. So these delays can cause the type of problems that sometimes become extremely complex to solve but could be simple at the beginning if the information is provided.

We have asked for further information. The Member is right that the last request did include further information because as time has gone on, with the big gap in between, many other things have arisen. For example and I will deal with this under what I see and think because it is only thoughts and projections now, without facts as to some of the problems. But it is areas that have subsequently arisen, such as load factors which we did get extremely up to day.

In fact, I think it was about a week after the information was requested when we got the information, which was up to the previous weeks load factors which is one of the crucial parts of this. So at that time when there was still no decision to grant the subsidy to Cayman Airways somebody did produce very detailed information fairly quickly. It may have been a week and a half down the line. I will deal with that under another grouping, at a later stage.

**MR. PRESIDENT:** Would you care to take the break there?

**MR. TRUMAN M. BODDEN:** Yes, Sir.

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

**PROCEEDINGS SUSPENDED AT 3:25 PM**

**PROCEEDINGS RESUMED AT 3:45 PM**

**MR. PRESIDENT:** Proceedings are resumed.  
The Third Elected Member for George Town, continuing.

**MR. TRUMAN M. BODDEN:** Mr. President, at the time of the break I was dealing with the frustration of not being able to get information. That is more clearly borne out, perhaps, that the problem is not just ours but as I am told, as the First Elected Member for Bodden Town mentioned, the senior Caymanian staff who met with four of the Members of this House complained that they were not as informed, even, as we, the Members of the Legislature are.

It brings me to what I see as a problem in Cayman Airways and it is a lack of communication. If you do not have proper communication between a company and its staff, its customers and more so its shareholders, which is basically what I regard this House as, even though the shares are legally held by nominees of the Government by civil servants, then you are going to have a very serious problem because when problems begin to arise, if it is possible to communicate, to sit down and make decisions at the time, it will save a lot of festering and aggravation that arises through total lack of communication. That goes not only for any company but we have seen that as a serious problem at times with Members of this honourable House. So the problem of communication, while it may be universal, has to be effectively dealt with within Cayman Airways before we are going to see the type of progress and development and teamwork that is necessary for a company as large as it is and with the substantial amount of equipment and assets that it has being profitable again.

Further on that, and it is perhaps a bit unfortunate at this stage, but answers rest in a bundle of documents which comprise some 80 odd that unfortunately the Government Members in the Finance Committee, specifically the Member for Tourism felt must remain secret. And it would be good now that these are, I believe, in a stage where they can be released that they would be looked at again in the near future and perhaps we would be able to review the very important decisions that rest within them. All out of that large bundle that we were really allowed because they were the days of Finance Committee where we were in a minority and were really the options that were given to Cayman Airways by its advisors, the options of what could be done with the aircraft, such as leasing the 727s or selling them or keeping them (and those three documents were very revealing and under the comparison of the 727 and the 737 which has been dealt with in considerable depth). I will be going into that, but suffice it to say that those three documents that went into the dissenting statement of the minority of Finance Committee, option one which was to keep and operate the 727-200 showed very clearly that it was US\$30,104 per month or \$361,248.00 per year cheaper to continue doing what? and I am reading from that Minority Report, we are doing now than to lease the new jets and sub-lease our present 727-200 or sell our 727-200s and lease and operate the 737-400s. Basically the three documents that we were given that we were allowed to release are very short, one page and half page documents. Those recommended that we keep the 727s. As I said the balance of those, I think, very important documents remain muffled or restricted or whatever.

I would like to go on to just one other aspect of this because the

Member did mention that compared the lease of the 727 and the 737 unfortunately I do not know and he was not able to mention to me whether I could use this comparison but unfortunately he did make a statement which if I was permitted to use a part of that I could show maybe different. I will not say anything beyond that. But what I would say if we are going to and I do not know whether this document is restricted. This did not come to me in Finance Committee, it came in a letter. But it would be good if we could let documents remain restricted that we do not get referrals or comparisons with them because, well I would think that would probably put in issue anyhow the specific matter. In any event it is some 146 pages of these and I do not know if the Member has any further views on whether these can be looked at or not. *[interjection]* I will tell you what the point was. The point was about the ability to take and sub-lease.

**MR. PRESIDENT:** I hate to interrupt but you should address the Chair. I am not quite sure whether you are inviting the Member to speak or whether you are tacitly asking his permission to quote from a document. Perhaps you could make that clear.

**MR. TRUMAN M. BODDEN:** Mr. President, normally what I do is to interject, but every three or four minutes it is always through you, Sir.

**MR. PRESIDENT:** That is fine but I am not quite clear whether you are inviting him to clarify something or to agree that a document or part of a document may be published. Perhaps.

**MR. TRUMAN M. BODDEN:** Well, through you could comment on the subleasing clause which he commented on?

**HON. W. NORMAN BODDEN:** Mr. President, I think he is referring to the lease agreement for the 737 aircraft and I have no objection of him commenting on the sub-leasing arrangements as provided therein, if that is what is being asked.

**MR. TRUMAN M. BODDEN:** I appreciate that.  
The Member did mention that as with the capital lease, which I will deal with further down, on the 737-200s they would be able to sell or sub-lease, I should say, the rights under this agreement. At page 86, the paragraph 15, subparagraph (1) which is headed 'Assignment and subletting' it says:

"The Lessee shall not assign or create or permit to exist any security interest over any of its rights or obligations hereunder and except as permitted by articles 9(3) and 9(4) above which deals with engines and parts [I think]. The Lessee shall not sublet or otherwise part with possession of the aircraft or any part thereof provided always that the subleases may sublet the aircraft to any reputable airline, subject to the prior written consent of the lessor which consent shall not be unreasonably withheld or delayed by way of a sub-lease not in excess of 6 months in any 12 month period.

After the initial 36 months of the term, the lessor may, at its discretion without an unreasonable objection, agree to permit the lessee to sub-lease the aircraft for period greater than those provided for above."

Well, that I think clearly points out that there is a very serious restriction in the first three years of the sub-leasing of the 737-400 and it is not until after that period that it may be possible then to sub-lease them on. But it is very clear that the assignment which this clause deals with which is what I understand was done with the 727-200 capital lease is in here as being not possible, naturally, unless there was an agreement between the parties to vary it. So for the first 36 months, at least, it would be extremely unwise to make any attempt to try to sub-lease those jets. As I see it there is no specific right as such to assign. That, naturally, is quite usual because we are dealing with very substantial assets in the form of the two 737-400.

I will not go beyond that but at a later stage perhaps, there are some later provisions which have been in conflict between the two leases not here, but other places that could perhaps be clarified. I move on from what I see as a communications problem and a serious one in Cayman Airways which hopefully the study team or firm would have a look at. To deal with an issue which once again is unfortunate that it has been brought up because sometimes it is better to let sleeping dogs lie so to speak, and it deals with the wide allegations by the Member for Health about some of the Backbenchers stating about the safety provisions of the jets. Unfortunately the Member for Tourism may have dealt with it too. It may have been better left unsaid but the position, as I understood it and as was very ably put by the First Elected Member for Bodden Town, the press here and the press abroad made specific reports at which I am holding two of them in my hand, one local one international, in relation to safety aspects, especially in the United Kingdom and it was not Backbenchers who created this situation, but in any event it surely must be a right where things of this sort happen and they are out publicly that if a Member wishes to comment on it because it does effect us then they should have the right to do so.

As was stated earlier, and the Member for Tourism has never ever alleged as I understand it in his many statements in Finance Committee and otherwise when we have met with him, that Cayman Airways had lost a share of its Caymanian market. Indeed, one of the very senior management, I am told, at the meeting with the four Backbenchers stated clearly that Cayman Airways carries 90 per cent of all of



the Caymanians in residence, when I say that, that fly from these Islands and I do not see how it could be much higher than that. Because there must be some people, for whatever reasons through connections with other cities or because they are employed to other airlines or whatever, may not fly.

So I think if we are getting 90 per cent of Caymanians flying Cayman Airways on the Miami route we definitely have not had any problems from that area. But the Member for Education through that in his politics muddy the waters against us. So the proof is the fact that you had better leave buried at this stage and nobody over here, it has never been in any of the written statements or anything else and if something is said from a platform every now and then it reaches only a limited number of people. It is better to leave it there. It is different when it hits the press. But I do say that it did hit the press, not here but also abroad so it is not something concocted or anything, pushed only by anyone on this side of the House.

I would like now to deal with what has been quite a stir publicly which is some challenge that has apparently been thrown out from, I think, the Managing Director and the Chairman of Cayman Airways. I do not think the Member for Tourism was in that one but he may have been asked to be there about some public debate on all aspects of Cayman Airways, I think. That seems to me to be a very strange situation when we have been trying and we tried, I think the last time we met was the 31st of August, 1989 to get certain further information which I have shown earlier (some of it came some six months later, some we are still waiting on) so that we could try to understand some of the problems of Cayman Airways.

It is really their approach of Cayman Airways being a private company why we look like we will never be in a position to try debate with them details of what has gone on because we cannot debate what we do not know. But in any event as the Second Elected Member for the Lessor Islands said it seems not to be the appropriate way to go about solving Cayman Airways problems. Whether it will solve the problems of the Chairman and the Managing Director or any of the other members, I think it would be the third one, then would remain to be seen. But, the minutes are clear that we asked in Finance Committee in August 31st, 1989 for that team to come back and talk to us, give us information plus documents where Mr. Cruikshank, the Chairman, was the only one who could make it that day.

We were told that one Member was in the U.S.A. on training, Captain Thompson and Mr. Gonzalez was in the States attending a court case. That meeting adjourned and until a lot of months, many months had gone by, in fact, we have had no attempt to formally, where we are in a position to deal in more depth with matters because presumably if we cannot get information, if they will not give it to us then they should not be giving it to the public, in these forums.

It was not until this stage that we saw any attempt, it would appear, for the team of three to get back together and deal with information which we really do not have. And it always leaves me worried if I have to try to debate something that I know nothing about and the other side are the people who have it because a debate has to have communication flowing both ways. So I would really say to those gentlemen that perhaps if they could assist the Member for Tourism to get us some information and since the one Member of Executive Council calls Finance Committee at some stage after we have had the information, we could meet in Finance Committee with them.

I would just like to mention some of the documents that we are still waiting on. As the Member of Tourism said, a few of these are out of the previous request but we have put in here quite a number of new things which have arisen since we originally asked for these back between mid to the third quarter of last year. These are detailed profit and loss accounts, balance sheets for November through February which the Member has mentioned. Now he has some of these. Monthly and annual details of load factors and numbers of paying and non-paying passengers for the past three years.

We know that some of those are available because it was a part of that for the first week of December that we were given in the second week of December and load factors, as we understand it, are where the problems are coming in. It is a load that is being carried by the plane. And details of how Cayman Airways Budget was arrived at including the estimated hours utilisation, the load factor of a number of passengers of the jets and a breakdown on how the losses on the Grand Cayman/Cayman Brac/Little Cayman routes are arrived at with comparisons for the past three years, all related memos, letters and documents relating to the sale and lease of the old and new jets, including alternate offers and reports, if the cash flow projections for the present financial year and details of all measures being taken to deal with problems.

What I would say to the Member on this, and through you always, is that whatever he can get of it then the quicker it is made available, you know, if we can get some of it well that at least helps. So I do not think that it is a fair challenge when you are sitting on the information that is going to be debated to challenge somebody to debate it when you are not prepared to give over the information.

One thing I would like to just deal with which arose sometime during the Chamber of Commerce meeting that the Cayman Airways Chairman and Managing Director and other people from the airlines were at is the constant reference that has been made to the Swiss Air Report recommending the 737's. I think this is very important because the public has, in my view, been led to believe by these statements that back in March of 1985 the Swiss Air team recommended the 737-400.

To be frank, I do not even think the 737-400 was operational at that stage or even completed but the press report, the statement that was made there, and quite frankly a statement that was made by another one of the Executive Council Members in a meeting on the tenth of August, 1989 at the West Bay Town Hall also bore this out but what was used was just the words 737. The Swiss Air Report which was in 1985 dealt with a recommendation of a 737-200. A totally different jet. It is a much smaller jet. It is 128 tourist class seats and reference was made to previous studies here, as against the 727-200 and the 737 which are dealing roughly with one more or less with eight first class seats and 149 tourist class seats. The reason why the 737-200 was recommended was clearly born out in the Report.

So firstly to use this as the basis as the 737-400 I think is totally

misleading because it is a different jet altogether. The Report at page 4 says:

"A decisive factor in this decision is under what conditions the present 727 lease could be terminated and a contract for another aircraft type could be negotiated. Our calculations are based on a lease price (as supplied by KX Management) for the 737 about nine per cent higher than the actual 727 lease price."

They go onto say: "Each percentage point change in the lease price for the 737 changes the cost index by about 0.3 percentage points." But the important part of this is that their recommendation and their calculations were based on a lease price as supplied by Cayman Airways Management for the 737 and here we are talking about the 737-200, about nine per cent higher than the actual 727 lease price. So the recommendation was on the basis that the cost in the lease between the 727-200 and the 737-200 were substantially the same, not some 200 per cent over the cost. So they would have been looking at recommending a jet that was smaller than the 727-200, smaller than the 737-400 which did not exist that time, but the lease payments were going to be substantially the same and it was a smaller aircraft. It was a two engine, the same as all of the 737's are.

So that Report which came out in 1985 and I am sure was looked at by all of the Chairman, including Messrs. Johnson and Arthur Hunter since that time, nobody went ahead and moved on it on the basis that it was a 737-400. And if this Report has been used as the basis, as the Chairman says it was and other people have said within Cayman Airways, for buying the 737-400 then it is one of the biggest errors, I think, that could be made because in the back of the Report the comparison is clearly set out. Not just with 737-200 but with the DC-982 and there is no doubt that this Report cannot justify the purchase of a jet which was not off the manufacturers' lines at the time. It is by no means the sophistication, size of the 737-400. It is one of the older 737s that had been in operation for a long time, in fact, because the 200s have been around for a long time and the 300s probably not quite as long.

**HON. W. NORMAN BODDEN:**

Mr. President, I hate to interrupt, but I wonder if the Member would give way just for brief moment of explanation in regard to his reference to the Swiss Air Report.

I see he has agreed, Sir. I will only take a minute and I do apologise for interrupting but I think in all fairness it should be made clear that the Swiss Air Report and its reference to a 737-200 was not the basis on which Cayman Airways took the decision to lease a 737-400. The decision, as I am sure the Member must be aware, was based on the in-house study that was conducted by Cayman Airways itself.

The reference that was made following that to the Swiss Air Report was, as I recall, that Backbenchers in their public meetings had referred to various sections of the Swiss Air Study but no one at any time made any reference to the fact that it had, in fact, recommended a 737 aircraft but no one said whether it was a 400 or a 200. Thank you, Sir.

**MR. TRUMAN M. BODDEN:**

Mr. President, I can assure the Member and I will bring the newspaper if I can find it tomorrow, that the Chairman used it in a meeting at the Chamber of Commerce in those wide sweeping terms that has been recommended the 737 (I remember looking at it carefully) has been recommended by the Swiss Air Report. But I have the verbatim report. I do not want to get into any further hassle. I am reading from a verbatim report at a meeting in West Bay on the 10th of August and it is in these terms that it has been used.

"The most important point though about this aircraft is that it was recommended by the Swiss Air Group that came to Cayman to conduct a study to determine which was the best aircraft for the Cayman Islands and they came out in support of the 737's."

It goes on to say: "I did not hear anybody laughing about that." They came out in support, ladies and gentleman of the 737's and why did we use Swiss Air? I mean I can give him the tape of that one and I do not want to get into naming but the public and ourselves have been led to believe that the basis that all 737's are the same. They are not, and the Swiss Air, whatever it may have done, could not recommend the 737-400 when the basis of the recommendation is that the lease payments were substantially the same.

In any event if this Report had of been all that good, I believe Mr. Hunter who must have looked at this very carefully as Chairman of that Board, would perhaps made the plunge and purchased the 737-400. I guess that I am reminded that not very much else of this Report was implemented or perhaps things may have been different. But I have had a lot of people, including people at that meeting, who were left when you use the word 'the 737' on the basis, that that was recommended and I will get off that subject now, Sir.

I would like, because I think it is getting near to 4:30, to deal with a very small topic if I can find one. And perhaps...

#### MOMENT OF INTERRUPTION - 4.30 p.m.

**MR. PRESIDENT:**

Perhaps if I might interrupt you for a moment. Do you think you will be able to finish within reasonable time of 4:30?

**MR. TRUMAN M. BODDEN:**

No, Sir but I was trying to find about a five minute topic because...

**MR. PRESIDENT:**  
you have more to go I think we should close.

Well, I think it is 4:29 or thereabouts. I do not think we should, if

**MR. TRUMAN M. BODDEN:**

Thank you, Sir.

### **ADJOURNMENT**

**HON. THOMAS C. JEFFERSON:** Mr. President, I move the adjournment of this honourable House until 10 o'clock tomorrow morning and while I am on my feet remind Members of Finance Committee at 4:30.

**MR. PRESIDENT:**  
against No.

I had quite forgotten that. Sorry.  
I shall put the question. Those in favour please say Aye...Those

**AYES.**

**MR. PRESIDENT:**

The Ayes have it.  
The House is accordingly adjourned.

**AT 4:29 PM THE HOUSE STOOD ADJOURNED UNTIL 10 O'CLOCK, THURSDAY, 8TH MARCH, 1990.**



**THURSDAY,  
8 MARCH 1990  
10:09 AM**

**MR. PRESIDENT:**  
Services.

Prayers by the Honourable Member for Health and Social

**HON. D. EZZARD MILLER:**

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.

George Town, continuing.

Private Member's Motion No. 4/90 the Third Elected Member for

## OTHER BUSINESS

### PRIVATE MEMBER'S MOTION NO. 4/90 SELECT COMMITTEE CAYMAN AIRWAYS LIMITED

**MR. TRUMAN M. BODDEN:**

Mr. President, yesterday I dealt with Cayman Airways and showed that we fully support it and gave evidence of that both in the money we appropriated and in the statements that we made.

I would like now to go on to deal with a small Head, but one that is I think important to the finance side of Cayman Airways and its accounts. Much has been said about Cayman Airways losses in the past. We admit those and nobody is denying these. A finger is always pointed at the balance sheet in relation to the accumulated losses that are presently in it, as of June 1989, \$19.7 million.

The accounting policy that was taken by the Government between 1977 and 1984 when I was in Government was that instead of making a direct grant to Cayman Airways, we put the money in either as a loan or as capital in the company.

You will see in the balance sheet that there is \$16 million in capital, which offsets the accumulated loss, leaving really only \$3.7 million. When money went in there, instead of putting it into the profit and loss and showing what would go in as a profit of the grant that Government was making, we put it into Capital or into loans. In fact, there is good accounting policy for this and good precedent for doing this for several reasons. It is best to put money into a company as a loan because in the event of the winding up of the company you are in a better position to claim as an unsecured creditor. Secondly, if you put the money in as capital, and if the capital is moved out to the private sector or otherwise, you would show an equity in the company but most importantly it is good accounting practice to capitalise a company.

I am very happy to see that the Auditor General has in his Report recommended that the grant, which we do annually, should go into capital rather than just being put into the company and this has also been commented on by the Public Accounts Committee.

If you had put it into loans as we originally did, and then subsequently converted it into capital, what you would show is a contra entry under the double entry bookkeeping system. Because believe me, I do understand that as well as I have had experience and qualifications in that area.

So you show an accumulated deficit of \$16 million and you show capital of \$16 million. That has been recommended again by the Auditor General. It has been rejected by the Government in their Report.

It is to me something where the accumulated loss should not be pointed out unless the contra entry of the share capital of the Government is shown with it. The way the Government is doing it now, means that they put it directly into profit and loss, so there is no contra entry in the final balance sheet. It is reflected in either a decreased loss or an increased profit.

That has been borne out in the Public Account's Committee just recently tabled on the Government Accounts' of the 31 December 1988. The Public Account's Committee feels that this cash subsidy would provide the shareholders with more security and be, in a sense, better business if it were treated as an injection of fresh capital and go towards the Governments holdings in the company. So I am happy to see that the Auditor General and the Public Account's Committee accepted that that practice was a better approach than a direct gift into the company.

While I have the Public Account's Committee I would like to refer to page 12, paragraph IV which would be of paragraph 12 which has a direct bearing on this resolution. And it says this:

"It is with surprise and concern that the Committee notes that the Government has not carried out the review of Cayman Airways as promised to this Committee in the 1987 Government Minute. The Committee expects Government's promises to be met in timely fashion and that this review be carried out by independent experts as soon as possible in 1990. The review should cover areas such as organization, management, operational targets and any other matters relating to ensuring the achievement of good economy, efficiency and effectiveness in the running of the national airline."

That is an interesting statement because that promise was given in the 1987 Government Minute at a time, under the previous Government, when our Chairman of that Committee and another Member were or are now Members of Executive Council. At least I believe one of the other Members were. But, I know definitely we did have one Member from Executive Council on it.

So the Minute and the recommendation of the Motion itself is one that has a long history of requesting ... I was not certain if he was bowing to me to give way or not, Sir.

So the previous Backbenchers in this House recommended it. I would hope now, we are now going to get a review which in my view would have helped to avoid this crisis if it had been carried out a long time ago. I believe in any type of business regular reviews are very important.

One other aspect that I would just like to clear up is that is that as mentioned yesterday the Swiss Air Report has in my view either directly or indirectly been used as one of the basis upon which the 737-400's were purchased. I pointed out that that Report relates to a totally different and much older type of jet, a 128 seater.

One of the issues was in relation to what the Chairman said, and I have the Compass of the 2 February 1990, which is headed 'CAL Chairman Addresses Chamber of Commerce' and it said: "The 737 had also been recommended by the Swiss Air team which had studied the airline in 1985."

On the face of it, that statement is, in my opinion, a half-truth. This is the unfortunate problem that we are facing sometimes. We are not getting the whole truth. I think it was the duty of the Chairman to say, "That is not the 737-400, that was the 737 200." A jet that was totally different, much older, much smaller and that would put it in the right perspective. In fact, it was in the area of the then recommended DC-9's.

I would like to deal with one other aspect that was raised yesterday by the Member for Tourism and Aviation. I think he directly said that I had released a statement to the press before a request was given to him in writing. I have confirmed with the First Elected Member for Cayman Brac, that at the same time or shortly after the letter was handed to him, he gave it on to the Member. I can assure him that the press release went out afterwards and came out two or three days I think after he got it.

But I would like to point out here a very integral part of those requests which relate to the accounts, load factors and the comparative figures. The Member knows that I did ask him for these many months before. Some of the other areas of it were new, but I think the areas we need, like the load factors and budget comparative figures, we had asked for several months before, in fact, on the 31 August 1989.

I have always endeavoured, and the Member knows this, not go to the press with these requests and as I showed yesterday, the agreement on the lease could have been given to us six months before it was given to us. It was just a simple matter of photo-copying it. I will get off that issue and move on to another area.

I would like to deal in some depth with what has been stated as some of Cayman Airways problems. And unfortunately I do not have the information. Quite frankly, I think the time has come, where, I am going to now make a few statements relating to what appears to me are some of the problems and what some of the solutions could be. I have waited since the middle of last year, and I still do not have a lot of what is needed. To be very frank, my hope of being able to get it within the near future so that I could have dealt with it in this debate, was a bit of a pious hope. I do not know when I am going to get it.

This is only my view and I guess time will tell whether my judgement here is correct or not, but I believe that the reason why the airline is now having its figures of revenue, as well as the people carried on the airlines, as being very substantially less than the amount that was budgeted for, is because management made a serious error when they put an increase of 17 per cent in the 1989 budget over the 1988 budget. When I use those figures I should point out that Cayman Airways year end is actually June of each year. For purposes I think of debate I will use 1988 figures over the 1989.

To have increased the budget of Cayman Airways by 17 per cent and then expect to achieve at a time when, as you said in your Throne Speech, tourism for 1989 is down from the year 1987, was not to me, prudent budgeting. I do not have the actual figures, but I believe it could well be in

excess of 17 per cent that that budget was increased.

If a prudent approach to budgeting had been followed and a conservative approach taken to the increases, like the Honourable Financial Secretary did in his budget, then we would not have the alarm that has now arisen.

What worried us was when the Member in mid December, 1989, told us that for the first week in December of 1989, they were \$250,000 under their budget. That is an alarming drop in the budget. So I believe that if management had been prudent they would have taken into consideration the fact that tourism was down.

Therefore, the number of passengers for the forth coming year may be reduced. I think they should have also considered the trauma and the economic upheaval and the upheaval in staff and equipment that a change-over of equipment from the 727's to the 737's would have involved.

They also should have taken consideration of the increased expenditure which obviously has arisen because what appears now is that we have \$3 million plus left out of the \$12.5 million we received from the sale of the 727's and the subsidy which Government paid in. Which is worrying. There is \$9 or \$10 million that has either been spent or I think \$2 million has been put on deposit for these jets. That is a very large sum. So I believe that management was not prudent in its budget when it did such large increases in the budget.

Furthermore, and I will deal with this at a later stage, but management and the Member had to know that there was a probability, not just a possibility, of having the new U.S. airlines come on route which would affect Cayman Airways.

Perhaps it should be stated here that to justify the 737's, you have to show very high flying hours because their savings is on fuel. Compared to the 727 where the lease cost were low, these lease costs are high, and their economy is on being used at maximum hours

That, I believe could well have been one of the reasons behind what I would regard as a serious mistake by management in over-budgeting.

While it is a fact that from the figures given, Cayman Airways is doing nearly as well in some of the months and better in other months in 1989, as it did in 1988, if realistic figures had been put in the budget, I believe that this panic may not have arisen. Because management should have foreseen this vast drop in revenue.

If they did not foresee it, then I think it has arisen through imprudent forecasting of the airline and its passenger revenue, which is an extremely worrying thing. If they made a mistake to this extent, and it is a fact they have made a serious mistake, the bottom line is how much money has come in, not how much they have forecasted.

Like I said, the accounts that I have unfortunately go down to October 1989, so they have no bearing whatsoever up to that stage. The little loss that was in there, anybody could have handled quite easily. The loss arose, seems to me or we have been told, beginning in November and heavily from December on after the 737's came on line and the US airlines came in.

I would like to point out one thing, because this did go out in a statement or the minutes before this, and what worries me for example is, the Member for Tourism has said that Cayman Airways was down 50 per cent on revenue in relation to the Miami route. It is referred to in the Minutes as flight 042 and the revenue report that we got in mid December for the first week in December, show that on that Miami route going from Cayman to Miami, in rounded figures, a 70 per cent load factor. From Miami coming back to Cayman they had a 67 per cent load factor.

It is therefore, impossible to have had a 50 per cent drop because the jets could only fly another 30 per cent, and as we know, 70 per cent is a very high load factor.

One of the questions the Member knows that I have always asked in these figures of the load factor is what is the load factor to break-even with Cayman Airways? In some other airlines it is much lower. You are looking at probably a 50 per cent factor.

I would like to come at a later stage to show we have had so many figures thrown at us. I know you can always take any situation and you can work figures to justify it. Or as the saying goes, 'wisemen make money, but fools can make figures'. The bottom line of this is, is the company making money or not? The figures we have here show that if Cayman Airways is making a loss with a 70 per cent load factor on its main route, we have a very serious problem that has to be looked at. We know it is not Caymanians not flying the airline because on the Miami route senior management say that 90 per cent of all Caymanians flying to Miami, fly Cayman Airways and I believe that.

So what is worrying is the budget has been so badly forecast that it could be out to the large extent that it is. As I said, I believe a factor in the over inflation of that budget has been the fact that to justify the new jets, you have to fly high hours.

Those reports or those views may never come out officially but we know that when worked back, the new jets have to make their economy by flying hours much above what you would fly the 727-200s. Their economy comes in fuel so they have got to make the \$5.2 million extra that they are paying on the leases, before they get to where they are more profitable than the 727's.

Another thing that I feel was a problem and should have been seriously taken into consideration was Management and the Member for Tourism and Aviation must have known at an early stage that the company would have made in June 1989 a profit of \$1 million or improved its position by \$2 million and that is not peanuts.

If you have a company that for the first time in its life of 12 or 15 years has made a profit and for the first time you have the right formula, as I have always said, if something is working you do not fix it.

It is well known in any business when you totally change its equipment, and when I say totally I know the Shorts remain, but when you change the jets, which are about the only equipment in that company, it is going to cause very serious disruption. It is going to cause financial losses because you have to retrain staff, you have to adjust everything, maintenance has to be altered and you have got to get spare parts. There will be a long period the company will suffer until it gets settled back.

I believe management knowing that should not have taken the quick change over. At least it was quick to us because we were only given a few days in which, to make a decision. To me this was the biggest decision this country has made, and as is well known, we did not even know about the sale of the 727 200's.

I will deal with some of the problems where I believe that the profitability on the 737's depended to a heavy extent on income that was coming in from the leasing of the 727's. That was an annual income and it is a fact that it was figured into the figures to justify the 737's. So now that they have been sold, that substantial income is no longer there. I think the pure profit per annum on that was in excess of \$1 million.

Another area that I feel has to be looked at, and I will tell you what I think a solution may be, is the fact that the airlines has expanded too rapidly and now has too many overseas routes. It is better to stick with what you know than to get too thin as we have just seen recently with Air Jamaica and Bahamas Air. The International Monetary Fund has said, you pull back to the two main routes that make you money and you forget about the overseas routes which are a problem.

Let me make it abundantly clear here, that the inter-island routes to me are crucial, they must remain. I am talking about over-seas routes because the load factors that the Member gave to us showed that if the Miami route at 70 per cent load factor is a loss, then where you have places like Atlanta, where the load factor one way is probably one-half that amount, then perhaps the time has come to look hard at those.

More important, at the same time that the airlines embarked on the change-over of equipment which they knew was going to cost a lot of time and money, they embarked on bringing in the New York route. I am not saying that the New York route is not a good decision, I think time will tell. But they have taken on too much at one time.

We have now spent close to US\$4 million on promoting that route and that US\$4 million would have been better put in the bank, or, alternatively the New York route should have been taken up a long time ago in preference to other routes that are now proving not to be revenue making. After they were allocated the New York route some years ago,, management's decision should have been it was best to go that route.

Comparing the air fare to miles or hours of the much shorter distance on the Miami route, it is a fact that air fares on the New York route, at certain times of the season, are very low through having to compete with other airlines on that route. I did not realize until recently that we are looking at a further \$4 million to continue advertising the airline route to New York as well as to pull in the tourists. So I believe a solution that has to be looked at is; to look at each route separately; keep accounts for each route separately; assist those overseas routes; and if they are unprofitable, then they must cut them back, because they are now spread too thin. If in fact, when I come on to dealing with Bermuda it too will be one of the bargaining points with the U.S. authorities. If the airline can say they are prepared to go back to the position of a few routes, be that Miami, New York or whatever, then we will give you back your other cities in exchange for our one for one monopoly that we had on the Miami route. So it needs to be looked at from two areas.

In moving away from that for the time being, I would like to say that I do not think it would be prudent or economical for the airline to get involved with expanding and handling other airlines locally or charging out ground handling or any other handling of things that now is put out to the public. They first need to consolidate and deal with what they have and get back into a profit situation before they start dabbling into what private enterprise is doing.

It is to me, as I said earlier, a clear situation where whatever can be done by the private sector I believe should be left to them provided that the proper controls are put in where monopolies exist for example, water or electricity.

My view on that is to first consolidate and deal with what you have, and leave whatever is being done by someone else unless there are very serious problems involved, then naturally they should be looked at. I am sure that in the study this will be looked at.

I would like to touch now on the politics that has been thrown in here by the two Exco Members who spoke. We are back to that old pounding ground of the 727 versus the 737 and the history of the airlines, in fact, back to much before....

**HON. W. NORMAN BODDEN:**  
I wonder if the Member will give way before he starts on that new topic, to let me explain to the House the point which he raised regarding the Public Account's Committee Report?

**MR. TRUMAN M. BODDEN:**

I wonder if the Member will give way before he starts on that new topic, to let me explain to the House the point which he raised regarding the Public Account's Committee Report?

**HON. W. NORMAN BODDEN:**  
I will handle it in a different fashion I think, Sir. I will do it through some other means.

Mr. President, I have been extremely nice, I keep giving way, but I have got to be careful that the Members speech does not become longer than mine. If you want to, go ahead.

**MR. TRUMAN M. BODDEN:**

I will handle it in a different fashion I think, Sir. I will do it through some other means.

If he will be brief, I will give way to him, Sir.



I would like to go on to deal with the leases of the 727 versus the 737. I think as the public knows, we were really under the impression for many months that the 727's were not going to be sold. In fact, the reports coming from the study team of Cayman Airways recommended that the most economical route, and this is a fact, was option one, and that was that we keep the 727's and run them. Unfortunately for them that study has proved to be right.

Now the commitments are made and obviously, I would never suggest that Government break any contract or any legal obligation it has. So anything I say here is on the basis that Government must honour its obligations and that is paramount, regardless if the decision is good or bad.

One of the first differences in this, and the Member for Tourism went into considerable depth on this, is the hard fact that the 727's were under a capital lease in which equity was being built up in the rights under that lease. In another six years or so the airlines would have had the equivalent of the value of those jets coming back to them. That would have been a very substantial amount because half-way through the lease of the 727's we are getting back \$12.5 million which I think if they had not been in such a hurry and had looked more carefully at competitive bids and waited awhile on the market, they could have perhaps increased that up by a further 50 per cent.

If in the early stages of that capital lease, and there is no doubt it is a capital lease as it is firmly recorded in the balance sheet and the accounts of the company, then the clear difference is in effect and there is nobody that can really challenge this.

In effect what was being done, was a lease purchase of the planes. At the end for tax purposes the planes would not directly come to us but Cayman Airways was appointed the sole agent for selling them and it would get the value of them less a sum of \$2 million. It was worked according to formula but I think what went down in the Minutes from the Chairman was that we would get back about 97 per cent of the value at that time. So clearly an equity was being built up. With the present lease there is no equity and there can never be any equity under it. As was pointed out yesterday, we do not have a right to assign under them, in any event. We are at the mercy of the lessee and at the end of 12 years when the time comes that the lease finishes and those jets go back, we will have bought the jets for the leasing company. It would have been totally different in another six years. And the fact that we would not get back the initial jets, I think is irrelevant. We would have had their market value and we could have bought the equivalent of them with what, in my opinion, would have been a very substantial sum. So the small amount that was being paid on those jets was coming back. In fact over the six or seven years, working this roughly, we would have put six or seven times \$2.2 million in. We would have put about \$12 million in as lease payments and we would have gotten it all back. This is a very important factor when you work out how good the capital leasing of the 727's was.

You see that in effect, having gotten back the \$12.5 million we really ran those jets for six years at no actual capital cost to this country. But I can assure you that compared to the \$18 or \$20 million that would have been paid for those two jets, the \$112 million that is going to be paid out over 12 years for leasing, is not going to get \$12 million back at the end because the leasing company has the jets. So there is a total difference between a lease purchase or a capital lease as it is technically referred to and just a plain lease. On the question about the guarantee that Government gave, if the jets were worth \$12.5 million when they were rapidly sold by the Government six months ago, then the Government's guarantee was totally covered by the cash value in the jets. There was never any risk of that. To try to make any type of political mileage by frightening the public about this guarantee is totally unfounded. The airlines received back \$12.5 million which would have satisfied the guarantee, but in any event we were at a stage that if a problem arose we were beyond the three year period that sub-leasing of these jets is limited to only six months out of a year. Which is impossible if you are going to try and run an airlines. But at the end of the time, the \$12.5 million value of the jets more than covered any guarantee the Government had given.

Why was there a guarantee the first time and no guarantee this time? The answer is very simple. If you go to lease a house, you do not have to give a guarantee for two-thirds of the cost of the house. You pay down two months rent and you move in. That is what renting is all about. But if you go to buy the house, which is what in practical effect was being done with the 727's jets, we would get the value of those jets at the end of the lease or at anytime before the end of the lease period that we chose. That we chose, not anyone else to put them on the market and sell them. Then you are going to have to guarantee it. So there is a difference between guaranteeing the loan when you are buying your house and only having to pay two months rent when you are renting the house. That draws the clear distinction between the leasing situation that we have now with the 737's, compared to a capital lease or a lease purchase that we had with the 727's. I can tell you it is a fact, that the cost of those jets was amortised over the period of the capital lease with a very low rate of interest. I do not remember what it was now, but it was five or six per cent. It was on the basis of the lease purchase that the guarantees were given, because at the end of the period the jets had to be sold, but the money did not go to the people who leased it to us, it went to Cayman Airways. As we saw we did get \$12.5 million which, unfortunately, has now been nearly used up. The \$5.2 million that was in the fund would have come back at the end of the day in any event. There is no magic or anything that this \$5.2 million would not have been released if the jets were sold now or if they were sold in another three, four, five years time.

One of the things that worried us with this is the fact of the hurry that these transactions were put through in. We made that clear in our minority report and subsequently on occasions after that. If time had been taken to assess all of the factors involved, and with such a large amount of money being involved in such a complex matter, that perhaps a second opinion should have been taken, which I submit could not have been the Swiss Air Report of 1985, but I believe that two things would have happened. Firstly, we would have got more than \$12.5 million for the sale of the jets because we could have gone out on a competitive market over period of time and dealt with it for at least a few months more. Secondly, we may have leased instead of selling the 727's so that the income, and this is pure profit of a \$1 million or more a year, would

have been coming into Cayman Airways to supplement the 737's, which I submit in the options that went out to the public was an integral part of the leasing of the 737 jets. They needed that supplement of a \$1 million profit that would have come in from the leases of the 727's over the period of six or seven years.

The Member for Tourism dealt with this, and I would like to explain one other aspect of this. A lot has been said about paying US\$6 million for the D-checks of the jets. If Cayman Airways, through the Government's guarantee, had put that \$6 million in, then that would increase their equity and the value of the jets. After D-checks are carried out the jets are worth \$6 million more and the Member knows this is a fact. The C-checks were routine and had to be done anyhow, Sir.

In that \$6 million, I think there was some amount relating to engines. But once you bring the engines and the airframe back to zero hours the value of the jet increases. The difference between that and what has happened is that the \$12.5 million we received for the sale of the 727's, together with the \$1 million that Government has given to them has gone anyway.

This is an unfortunate situation and the Member mentioned that there was only \$3 million plus that remains on deposit. Two million is gone for the period of months deposits that we put up-front on this and the balance of the money has gone in this change-over from the 727's to the 737's.

By Government putting in \$6 million into the 727's their value would have increased by another \$6 million dollars and it would have been a good investment, rather than changing over and wasting \$9 or \$10 million. It is like putting in \$6 million to repair a house to increase its worth. The fact that Government did not give that money to Cayman Airways, we know as a fact that Cayman Airways was subsidised to such an extent that that \$12.5 million we received was in effect money that had originally been put in as capital or gifted to the company. So whatever else can be said, it is more prudent to repair your house and let it be worth an extra \$6 million or whatever, than to take and rent someone else's house and spend \$10 million in the course of doing it. That is the point that I would like to make. An investment of \$6 million would increase the value of the jets by doing the D-checks and bringing the engines back to zero hours. Whereas the \$9 or \$10 million that has been spent on the 737's, we will never see again and we have no increase in their value. I accept that the part of this \$2 million is put up as deposits and will be returned at the end of the 12 years of the lease, should there be no breach in between. Whether the decision to move from the 727's to the 737's was prudent or not, let me make this abundantly clear, I support Cayman Airways and its contractual obligations. Whatever happens as a result of this, I hope that the lesson that is learned is, when you are dealing in the airline business you do not do things overnight. You take your time, because believe me, you have seen a waste of a large amount of Government's and Cayman Airways' money as a result of this.

Now I would like to go on to a shorter topic and that is, the inter-island route. This must be improved and I believe that what the Member for Tourism has finally done with putting the jets into Cayman Brac, is going to improve the situation. For a long time we have had the Second Elected Member for Cayman Brac pushing the Member for a decision and the First Elected Member for Cayman Brac trying to lead him into a decision which would assist the Lessor Islands. And in fact, it was a crucial point of the Budget negotiations in December that we got an undertaking, which the Member gave freely, that the inter-island routes would be upgraded as soon as possible. You know tourism has got to suffer unless we can get an accepted system where bookings can exceed the 20 or 30 that the Shorts can carry and confirmation for people coming from abroad that they can get in and out of Cayman Brac. As the Second Elected Member for the Brac and Little Cayman has said, the arrival and departure times are bad. Hopefully, the Member can improve on those times once the routes are in place and try to get the jet leaving and arriving at more convenient hours.

We have a clear political duty as responsible Members to the public to do whatever is in our power to see that the Lessor Islands get good air service. Because as everyone knows, they have suffered for too long without having a proper system and proper air travel in place.

One of the things I challenge the Member on, and again we come back to the question of figures, to me the bottom line is are you making money or are you not making money? All of us can produce figures to justify just about anything given the right factors.

He has said in his speech that it was not possible with the 727 aircraft to service Cayman Brac as it is with the 737. Now I challenge that because the 727 flew to Cayman Brac. We know for a fact that it can fly in there. We also know that it can carry about the same or more as the 737, and we know that if the criteria the Member is using for this is the amount of fuel used by the jet, then when you are dealing with a few cents on a gallon of fuel between one of the shortest runs that any jet must ever run, that cannot be a factor.

The hard factor is that no one can tell me that the 727's could not have done what is being done now better, if not as good, and because of the shortness of the run it would have been a lot more economical. Remember we have to reach a stage where the amount of savings on fuel, not the amount of fuel used, but the amount of savings on fuel is five-sevenths compared to two-sevenths, which the lease of the 737's were. That ratio is because it cost \$7 million odd to lease the 737's and it was only \$2 million odd to lease the 727's.

We have to cover that large gap of \$5 million per annum in savings in fuel before the 737 becomes more economical than the 727. When you look at the fuel factor that has been pushed on this, there is one thing for sure. I believe if the Member for Tourism ran the jets past a gas station and they smelled the gas they could fly to Cayman Brac, it is such a short run. That as an excuse, is not a good reason for not having done this before.

I will tell you what the reason is. For the first time in the history of this country the Members on this side, the Backbenchers, have actually sat down and looked in depth into the policies. They asked questions and they have said, not just to the Member for Tourism, but to other Members in Government, "you get your homework done, the decision is yours".

It appears to us that these things should now be done and it is really the effort of the two Members from the Brac, like I said, the Second Elected Member in the position of pushing the Member and the First Elected Member for the Brac in a position of leading the Member that we have now come to this decision.....

**HON. W. NORMAN BODDEN:**

Mr. President, I do not like to interrupt the Honourable Member, but he has repeated this a second time and it appears that I am some kind of mule or a blind person. I do not need to be pushed nor lead by either Member of this House to recognise the importance of providing a service to Cayman Brac and Little Cayman.

**MR. TRUMAN M. BODDEN:**

Mr. President, I am dealing with a statement that he has made. The statement was that he could not put jets into the Brac before because the 727's could not do it. And I have written it down, I mean that is in effect what the Member has said. That is the point that I am dealing with. I am not referring to him as anything other than a Honourable Member. I am pointing out the difference between the two Members for the Brac. One is reasonably aggressive and the other one attempts to lead rather than to press hard. That was the only point I am making. No distinction on him, but a distinction with the Members here. Two different ways of achieving the same thing. Anyhow, it has been achieved and the point is it has been achieved because of the efforts of the two Members from the Lessor Islands, not because of any change in the jets.

You know, I was very good at the beginning with the Member with his many explanations but I did not interrupt him. I think probably he needs to hold back a little bit now unless he really has good cause.

I would like now to go on to a topic that is going to take me into some depth and has been dealt with in some depth by the Member for Tourism, and that is the Bermuda II Agreement and the talks with the U.S. Government in the past..

**MR. PRESIDENT:**

I think we might take the break if you are going to..

**MR. TRUMAN M. BODDEN:**

I think that would be good, Sir, thank you.

**MR. PRESIDENT:**

Proceedings are suspended then for 15 minutes.

**PROCEEDINGS WERE SUSPENDED AT 11:20 AM**

**PROCEEDINGS RESUMED AT 11:50 AM**

*[The Honourable First Official Member in the Chair]*

**HON. THOMAS C. JEFFERSON:**

Please be seated.

Proceedings are resumed on Private Member's Motion No. 4/90 dealing with Cayman Airways. The Third Elected Member for George Town, continuing.

**MR. TRUMAN M. BODDEN:**

Thank you, Mr. President.

I would now like to deal with the Bermuda II Agreement and air rights which was dealt with in detail by the Member for Tourism.

He stated that the controversy surrounding CAL began from the day that the partner Lacsas was changed in 1978. I want to deal with Bermuda II and show the reason why it was necessary to change. The Member has also stated that he was not a member of the team who negotiated Bermuda II and he attended as an observer. That is technically correct but as we all know the observer is a person that is relied on heavily. In fact, all the executives who attend and while they may sit behind the British Embassy negotiator all the airline executives who attend are totally involved in preparing the case and preparing the negotiations. They are an integral part of that negotiating team. At page 90 of the booklet on the air services agreement he is listed there as the airline representative, N. Bodden, Cayman Airways Ltd.

The people who were in the delegation were the Honourable Vassel Johnson, Mr. Veran and Mr. San Granetti. But he was involved for all practical purposes and would have had considerable say into what went on. And this is a fact, he has been there to talk to the U.S. Government in the capacity of a representative and in the later days directly as a negotiator.

The Bermuda II talks began in 1976 and the agreement was concluded in 1977. It was the air routes that were inherited by the then Government which was Mr. Jim Bodden, Mr. Haig Bodden, Captain Charles Kirkconnell and myself. Cayman Airways was under, at that stage, Mr. Johnson as Financial Secretary, at least during the material time of these negotiations.

The reason why Lacsas had to be bought out was because the Government at that time were stuck with the Bermuda II Rights which only gave the Cayman Islands two points out of the five that were designated in the United States. But any U.S. Airline could fly from any part of the U.S. to any part of the Cayman Islands unrestricted. It was to such a stage it was not just a one-sided agreement, Mr. President. It seemed as if the only people who had rights of any sort were the Americans. What they did and what the negotiating team and their representative did, which including the Member for Tourism, was to agree to an article in the Bermuda II Agreement which said this:

"On receipt of a designation made by one contracting party under the terms of paragraphs

I, II and III of this article or accepted under the terms of paragraph V of this article and on receipt of an application or applications from the airlines so designated for operating authorizations and technical permissions in the form and manner prescribed for such applications. The other contracting party shall grant the appropriate operating authorisations and technical permissions provided."

We come to the reason why Lacsca had to be bought out. "a) Substantial ownership and effective control of that airline are vested in the contracting party designating the airline or its nationals." So the Bermuda II Agreement brought in what is commonly called the Substantial Ownership and Effective Control clause and we could no longer have a paper board, or a paper managing director where the orders were given from Costa Rica. We would not have any rights if we did that. What had to happen was the Government or nationals of the country had to take over substantial ownership and have effective control. This was a point that had just been negotiated. It was looked at by parties involved and the situation of having a paper airline could no longer work. It was out of that, that Cayman Airways was born. While I am happy that it was born under me and the other Members of the Government at that time, the reasons were we were bound by the Bermuda II Air Rights Agreement. If we wanted to fly to and from the United States then we had to have substantial ownership and effective control. Having said that, whatever controversy the Member for Tourism mentions as being the beginning of this was because 11 years ago there were people who believed that Lacsca and its officials were the beginning and end of the earth. If anything was done under this Bermuda II Agreement to anyone in Lacsca that was the worse thing that could be done. Our international obligations are clear. The resentment that was built up from people loyal to them was something that throughout the term of my eight years in Government were consistently raised and politically battered around. I would say that those who objected to us complying with our international obligations and buying Lacsca out at quite a reasonable price, I must say, resented it and there was bitter opposition through-out the period. If we had not had that, maybe we would have seen the profit during our time. This Lacsca syndrome, as that staunch political gentleman, Mr. Haig Bodden, came to name it, was one that we had to live with day in and day out with this company.

Unfortunately, life is funny and Cayman Airways is not the political football now, compared to then. Then it was a complete football game, day in and day out. Now there is only a few kicks every now and then. Those who battered Cayman Airways to pieces literally pushed Cayman Airways into the ground and did everything that was possible to wipe it out and prove that only Lacsca could run an airline.

That stretched from the bitter attacks of the Lawrences, the bitter attacks against the Members who were directors, which I was one at the time, and it just went on and on to such an extent I have often wondered what the hold was or what the reason was why people were so bitter about us buying out Lacsca to comply with obligations that the United Kingdom had signed on our behalf. Like I said, they were obligations that I did not negotiate and they were negotiated under the previous Government and I had nothing to do with them.

However, at a subsequent date came the time when we found Cayman Airways could not live with the bad deal negotiated under the Bermuda II Agreement. It was us, not the Member for Tourism and Mr. Johnson, who had to trek to Washington year after year, trying to get to get these air routes eased in such a way that we could have Cayman Airways survive.

That is where we lapse into the second stage. So we inherited what to us was obviously an impossible agreement. The Bermuda II Agreement, impossible air rights for Cayman Airways to survive. We then had to go and see what could be done.

Mr. Jim Bodden, who had more backbone than any other Member in Tourism past, present or probably in the future, even if that Member in the future be one of us who was in the Government at the time, went there and with his ability he was able to get a circumvention. It was not really an alteration of the agreement which we could not really do, but he originally orally got the U.S. Aviation Authorities, the CAB, to restrict the Miami route, which is an important and always will be a most important route. I think it carries 70 odd per cent of the passengers still. He got that route altered so that the Americans could only put on one U.S. carrier on it, compared to ours.

We went back to the reciprocity clauses that I understand had existed prior to the Bermuda II and under the post World War II Bermuda I Agreement. It took a long time, a lot of effort and ability for Mr. Jim, myself, Mr. Haig and Captain Charles Kirkconnell to deal with this. In fact the confirmation in writing actually only came sometime in 1983.

Those negotiations were long and hard and were going on at a time when Government was in a lot of other negotiations at the same time, such as the Narcotics Agreement. In the end in 1983, we had a letter signed which gave Cayman Airways the right to fly to Miami and back with only one U.S. airline competitor. That was a feat of no small order because it was done without any amendment to the Bermuda II Agreement and was an understanding, so to speak, between the United States Government, the U.K. Government and ourselves.

Today, as I understand it, what the Member for Tourism, the Chairman and the Managing Director of Cayman Airways have said our problem is, is because that agreement is no longer in place. We left it in place in writing when the Government changed in 1984. It was subsequently renewed and in 1987, as the Member for Tourism has mentioned, it was terminated three months prior to its expiring. In return for that, Cayman Airways received a further three cities of their choice to which they could fly in the United States.

Now we come to what I mentioned earlier; the problem that Cayman Airways has faced with spreading itself too thin and trying to fly to too many points, some of which

over-seas, are actually not profitable.

As far as I can remember I wrote letters about this, because I was not in the Legislature at the time the expiry came about. The Government, of which the Member was a part, should have pressed at that stage to see that that was negotiated and should have strongly negotiated towards getting an extension despite what the Member has mentioned as the reasons why the Government terminated it.

We had fought for three or four years to get to a point where we had secured on the Miami route that there would be no excessive competition, there would only be one carrier on it and we knew that no matter what size Cayman Airways got to be, holding on to that route monopoly was the most crucial thing. The Government should have upon the expiry never have terminated the agreement, they should have fought and fought to get that extended for a further period of time. The dilemma they are now in has been, in my view, a serious misjudgment of the Government of the time. I would have given up the balance of the three cities that were being flown to and remained with flying to two cities, provided that on the ones that remained, we flew 60 or 70 per cent of our people on, in order that we could survive. The dilemma that the Member for Tourism finds himself in now after giving away, in those last three months, the monopoly that Cayman Airways had with only one airline rather than multiple U.S. carriers on the Miami route, is what he needs to get back to.

How that can be done when the airline is now flying those other routes they got in the deal? How can they go back to the U.S. Government and say we want to go back to the position that the earlier Government of my time had, when they are already utilising some of the new routes such as New York that they got out of this deal? It is going to be difficult.

I wish them all the best in those negotiations, but I believe that we have to face reality. There is a difference between an agreement expiring and you fighting to get it back, than to give it up in a bit of greed, I would say, for three extra cities in the United States. I can not stress too much that the problem they have now would not or did not arise under the Government that I was in for eight years. And believe me, if the proper negotiations had of been carried out in 1987 to try to extend that, then I believe that would have been the proper route to go.

We were given the Bermuda II Agreement with its many problems. We inherited it, we then got the airline out of those problems by getting the United States to limit one carrier to the Miami route. Then the same people who had negotiated the Bermuda II Agreement in 1987, gave away this Agreement on the Miami route which is now, according to them, their substantial cause of the problems. You know we have to be sensible about American airlines and American enterprise. They are in that business to make money and despite the fact the Member, in a letter he read dated January 25 1990, stated that many airlines obtained designation and actually start-up services some years later.

While that is known, we have to accept the fact that if they have a right to fly in here, then they may fly in at any stage. Some may be longer than others, but out of this the one thing that was clearly shown is that prior to the change-over in the jets, it was known that American Airline had applied and Pan Am and Eastern had been designated. As we know, one was running in here from years earlier and CAL was actually running some of Pan Am's routes, so they had been designated. But they applied back on the 21 March 1989, were designated in June 1989, and they started up services in November. If we are going to run an airline on the basis that we hope that U.S. airlines with the right to run in here, are not going to run in, then that to me is not good business judgement. You have to weigh this and know. No-one can say that it was not clearly foreseeable that we were going to have multiple American carriers on the Cayman/Miami route, after the Government gave away the air rights in 1987, we had got them earlier.

There is no way that the Member for Tourism, or anyone else, can blame the problems of the airline on anyone other than himself and his Government when it comes to these air rights. They negotiated them and we got them out of them with the Miami route. Then they gave it back, expanded and got three further air routes. One of them being the New York route. As if that was not clear enough, in the Finance Committee meetings earlier which was culminated on the 31 August 1987, it was once again reminded to Mr. Cruikshank that he had been warned, "what if other airlines come in, what about the competition"? At that stage when spirits were high, the company was making a profit he shrugged and said words to the effect, leave the competition to us.

Unfortunately, you have to know your limits. Cayman Airways, whether we like it or not, is not in the same kind of position that one of the large United States airlines is. Reality is reality. That short warning should have been heeded and perhaps we would not have spent the \$10 million that we have just done or put part of it on deposit. That money could have been kept to have fought the route problems that we now have. Once again, and following onto this, it is not good enough to just say, "look, we did not expect the American Airlines to cut air fares". They have been doing that from the time I can remember. Out there the competition is serious and sometimes harsh.

The Member for Tourism knows, and I am sure so does the Board, that since deregulation especially where they can they will cut air fares; and when they cut it, in relation to their internal continental routes, then we will not have any control over what they do there.

We have to accept the fact that most of our passengers originate from other destinations, be they New York, California, Texas or wherever. We have to bear in mind that with our routes we may not be as competitive as American airlines whose routes, within the continent of North America are about the lowest that one can get.

So the second aspect of the problems arising in this were known long before this stage. What has happened here is, in my view, a mistake that was made in 1987. I know the Member for Tourism is doing everything he can now to get this reversed out, but we have to put the facts where the facts are and you have got to remember that his problem is not with Caymanians flying Cayman Airways, because Caymanians are flying it. That is good, I tell them to fly it. They fly on the Miami route, which is our main

route, and I concentrate mainly on this because the Miami route makes or breaks Cayman Airways, so to speak. We know that 90 per cent of all Caymanians are flying Cayman Airways.

Where the problem has arisen is with the United States tourists coming to Grand Cayman. Here, it is perhaps the throughput of the United States carriers who can link up in Miami, they can deal with the air fares on the continent for the part that is within the continent and where the competition is coming. If we still had the Miami route limited to one United States air carrier we could easily deal with it.

If Cayman Airways could survive during my eight years in Government, back between the late 1970's, early 1980's, with the amount of pounding it took and be in the very small stage of growth that it was in then, no one can tell me at this stage when the airline is mature and experienced in this business, that they can not survive. What is happening now with American, Eastern, and at that time Republic (which is now Northwest) airlines, these airlines are bringing passengers straight through. This is where the problem is coming. But they could not bring them straight through if they could not fly from Miami to here. So as I see the problem and the major problem that the Government has, it is that they have to get something done to go back to where we were seven or eight years ago and get a reduction of the airlines on the Miami route. As I said, if Mr. Jim Bodden had the ability to get it in the first place I feel that the Government should at least have had the ability to keep it. Now the solution to that is naturally going to be the forth coming negotiations. Without trying to get into that aspect of it, because I appreciate these may be continuing, but things like the load factor or number of passengers carried this year compared to last, these are going to be the relevant factors as to why Cayman Airways is hurting. If the hurt on Cayman Airways can be shown to be excessive capacity on the route, then under the Bermuda II Agreement there is a clause that can be used to do that. It would be up to the Government to convince them of over capacity and naturally with very high load factors that becomes more difficult to show. So whatever can be said, one thing is a fact. We inherited a bad agreement, we got it corrected, and the Government in 1987 lost it. I believe that profitability of Cayman Airways has to be with getting back what we originally gave the Government in 1984 when we left office, and that is, preferably the reduction to one carrier only on the Miami/Cayman route.

It is clear that it was known that this was going to happen. The dilemma now, is how quickly that can be done and whether it can be done without giving up what we got in return for giving away the Agreement in 1987 and allowing multiple U.S. carriers on the route. I would like to deal with one other aspect of the Select Committee Motion. For the Motion and the study to be effective it is important that the Steering Committee does not consist, as was recommended by the Member for Tourism, of the Chairman and the Managing Director of the airlines. If there are problems in management, which we believe that there is, then the Steering Committee is going to steer the independent group away from areas that could show up those problems or create problems for them. This is a natural reaction of a person and I am not implying anything beyond that. But we know there are problems in management and I do not believe that the Steering Committee made up of the people who may have made the errors, can do justice to that study.

I would now just like to summarise very briefly the points that I have made and then to finish off my debate on this matter. I began by showing that one of the problems that we, as Backbenchers, and the public has, is the lack of information and in fact, that is also what the Caymanian staff have said is a problem. I pointed out that the correction of that problem is to get better communications between all aspects of Cayman Airways.

The only example I will give here, was the fact that the lease agreement could have been given to us six months before we got it and the accounts down to October 1989, are totally useless because the problem began after. I also mentioned that you can not have a public debate so to speak. Nor do I think it is an appropriate way of dealing with problems when only one side of that debate has control of the information to be debated. In fact, a lot of what the information which was given to us is restricted or embargoed from use. Maybe in the future some of that would be seen fit to let go public.

On the inter-island route, I am happy that the Member has seen fit to fly the 737's in there. I believe that for the first time, and partly out of the budget negotiations, the two Members from the Lessor Islands, have finally been able to get Cayman Airways to come up with what maybe the solution and that improvements of getting better times for departure and arrival should be looked at.

On the 727/737 lease, I pointed out that the 727 was a capital lease for about \$18 million. We had paid in lease payments over \$13 million and when it was sold we got back \$12.5 million and in effect under that lease purchase we flew the 727-200's nearly free of lease payments for the six years. I pointed out that the new 737-400, jet's lease, is purely a straight lease and no equity is built up in it as was in the 727 lease. And that we will never get back anything of the \$112 million that this country will spend.

On the guarantee that Government gave of \$16 million to the Dallas company, the difference was that we were in effect buying the 727's. It was a capital lease, a lease purchase, whereby at the end of it we got the equivalent of the value of the jets which incidentally, the Government put that they had the option to buy back at \$16 million in another six years time. So they must see that there would be a substantial increase in what those jets would be valued at.

They got \$12.5 million now for it, but there is no way that under the pure lease this could be gotten and the Government guaranteed the lease for the 727's. As I pointed out, since the jets were worth \$12.5 million, the rights under the lease were worth \$12.5 million. Then the guarantee was fully covered but the difference was that we were lease purchasing the jets. The example I gave, when you go and get a loan to buy a house you sometimes have to give a bank guarantee for the whole or a part of it. Whereas, if you go to lease a house you pay a couple of months rent up front, you do not give a guarantee or security. That bears out the clear difference between a lease purchase/capital lease where you are getting back equity at the end of the day and a pure lease where you get back absolutely nothing.

If anything happens now, or at a later stage within the 12 years on the lease of the 737's, we do not get back anything. Whereas, we always had a right of sole agent to sell the 727's and to get the equivalent of the value of them less a residual amount which was \$2 million each at the end of the time. In any event, the residual value of them has been put by this Government, when they sold them in their option, at \$16 million at another six years time. So this was a good asset we were buying.

About the \$6 million to be paid for D-checks on the 727's bringing their air-frame and engines right up to zero hours and back like new. This would have increased the value of the 727's by \$6 million where as the \$9 or \$10 million that has been spent on the leasing of the change-over less the \$2 million deposit is something that we will never get back. It does not increase the value of the jets because the jets nor their value can ever be ours under it. It is a pure lease.

I have just dealt with the question of the competition on the air-route. Very briefly, we inherited the Bermuda II Agreement which caused, under the substantial ownership, an effective control clause and Cayman Airways to be born. We got out of the harsh provisions to that and restricted the Miami/Cayman/Miami route to one U.S. carrier. The Government in 1987, gave it away for three extra points in the United States and are now back crying for it and will have to negotiate somehow to keep Cayman Airways from suffering further losses.

I suggested that one of the solutions here could be for Cayman Airways after a study, because what I am putting forward here is under limited information that I have, cutting back its number of points and perhaps giving the Americans back what we got for giving away the monopoly of our one for one on the Miami route, and asking them to give us back one U.S. airline on that route. I also pointed out that it was clearly foreseeable by anyone in or outside the airline business that competition would come after 1987 when they were given the right to do so. And, we could expect a price war on tickets because the Americans, to a large extent, control their internal flight routes. I also pointed out that the problem is not, and in fact, never has been put forward by the Member for Tourism, that Caymanians are not flying Cayman Airways. On their major route they are getting 90 per cent of all Caymanians flying and it is hard to get anything higher than that. I also pointed out that to me the load factors of 67 and 70 per cent on the Miami route would appear that Cayman Airways problems is not that they are not getting passengers but it has got to be some other problem. It is nearly impossible I understand to go beyond an average of 80 per cent on the load factor. We are extremely high at 70 per cent compared to other U.S. airlines who normally are in the 40s, 50s, and occasionally the 60s.

I also mentioned that I believe that the panic of having the actual revenue in December for one week being a \$250,000 under the Budget is because the Budget was over inflated, as the Member said, he believed by some 17 per cent. I believe perhaps by a bit more than that. One of the reasons for this could have been that to show profitability on the 737's they have to be flown at very high hours because the savings is on fuel. I pointed out under that aspect of it, that I believe Cayman Airways had spread itself to thin and should consolidate as we saw with Air Jamaica and Air Bahamas more recently.

The question of Cayman Airways suddenly--and I mean suddenly, because I was shocked when the Member in December told me this and he was extremely worried, as were the Chairman and the Managing Director--for Cayman Airways suddenly to lose large sums of money at a time when the new 737 jets have gone on line and some new American airlines on the routes, and the nearly immediate loss afterwards, I do not believe was a coincidence. I believe that while the American Airlines contributed to some of those losses I believe that the economy of those 737's is not what the Government believes it to be.

I will say this, the reports from Government, the option that was given to the team that produced that study showed that keeping the 727's would have given us an advantage of \$240,000 or better a year than leasing the 727's and leasing back in the 737's. I believe that the least Cayman Airways should have done was to have followed what its study team produced as its best option. Having said that, the contracts of the airlines I will fully honour. When Government or the airlines have been legally obligated to something then that should never be broken by any Government or any airlines and indeed no one has ever suggested that. So we are really at this stage stuck, so to speak, with a lot of what went on so rapidly in the few days in mid 1989.

Lastly, I want to once again reiterate that as Backbenchers we support Cayman Airways. Our duty is, however, to ensure that the when the people's money goes into Cayman Airways it has been properly transferred and that we have done our duty as protectors of the public's money to ensure that the funds are not being wasted and that we are getting full value for the peoples money. It is to that extent that we have called for information over the last nine months, some of which we are still waiting for. I can assure you the support of Cayman Airway's subsidy, which we have done by putting our money where our mouth is, of a \$150 million is all it got in the past. A further sum which it never got in the past of \$1.25 million benefits it through the advertising on the New York route and the surrounding area. It is a clear indication that we support Cayman Airways fully. I would like to mention here, in fact, I would just like to read this we also appropriated this large sum of money but we, in a several written statements, stated clearly that, "we support Cayman Airways and we wish to see it continue successfully, fully recognising its importance and contribution to the Cayman Islands."

So it is nothing but absolute politics when anybody tries to stand up in here or publicly and say that the Backbenchers do not support Cayman Airways. That statement was repeated several times and it was put in writing and I can assure you that I support Cayman Airways. I can assure you that I recommend that Caymanians support it and, needless to say, that even recently, I flew on that short little Shorts so that my support went in there on that route. So we have no qualms whatsoever in relation to Cayman Airways moving forward, we would like to see it move forward, we would like to see the problems with the cuts or the restrictions on the staff....

## POINT OF ORDER

**HON. LINFORD A. PIERSON:** Mr. Chairman, on a Point of Order, Mr. President, Standing Order 41, tedious repetition.

**HON. THOMAS C. JEFFERSON:** Well I think generally, there has been a lot of repetition so I would allow the Member to continue. But he did indicate earlier that he was coming to the end of his debate.

**MR. TRUMAN M. BODDEN:** Mr. President, I have about another minute more, but you know when you tell the truth sometimes it hurts and we see where all the jumping up has been in this debate. They do not want to hear, and I will just finish on this, that we support Cayman Airways because it destroys their political tactics to attack us. And finally, as I said I support Cayman Airways. All the Backbenchers do. We put the Government's money there. In the future we are prepared to look at doing the same, provided we are satisfied that we are getting good value for money. I recommend that the public support it. There is nothing more that we can do on that and I wish Cayman Airways and all its staff, the Member for Tourism and everyone else, all the best and hopefully we will pull out of this problem and Cayman Airways will get back to where it was back in June 1989.  
Thank you.

**HON. THOMAS C. JEFFERSON:** Proceedings are suspended for lunch until 2:15 P.M.

## PROCEEDINGS WERE SUSPENDED AT 12:52 PM

## PROCEEDINGS RESUMED AT 2:21 PM

**MR. PRESIDENT:** Proceedings are resumed.  
Private Member's Motion No. 4/90, does any Member wish now to speak?

**HON. THOMAS C. JEFFERSON:** I do not propose to speak on the Motion, Mr. President, but to suggest to Members of the House that perhaps we could sit a little late this afternoon and tomorrow afternoon and maybe finish the whole exercise and not have to come back on Monday.

**MR. PRESIDENT:** I will not put it as a question, but would somebody signify by nodding perhaps that they generally agree? Thank you.  
If no Member does wish to speak, in that case would the Mover wish to reply?

**MR. GILBERT A. McLEAN:** Thank you, Mr. President.  
When I moved this Motion I said, I moved it because I believed it was absolutely necessary to know what the factual situation with Cayman Airways was on which future decisions could be based and irrespective of whatever that study showed, it would be the basis on which Government would act.

When I outlined the Motion I took the opportunity to very carefully avoid naming of persons, or for that matter, raising questions which might be termed political issues or claims would be made saying that someone was seeking political mileage. However, the debate did not stay within those confines and I shall be obliged to reply to some of the these questions which were raised by the Government bench, namely the Member responsible for Education and the Member responsible for Tourism and Aviation.

The first point I would like to make is that the Motion which I brought last year is indeed similar to the Motion that I have brought to this Honourable House this year. Not for one moment, not even for the slightest moment would I presume or to be as silly as to ask for a Select Committee of this Honourable House to undertake to become airline experts to investigate Cayman Airways. It was always and specifically the intention for all of the Members of this Honourable House to meet together as a body in a Select Committee with the First Official Member, who is charged with responsibility for finances, to appoint such persons that were capable of doing the examination of Cayman Airways and for those persons when that was completed to report back to a Select Committee of the House. It was never, ever, envisaged by myself that it should have been the Members of this House attempting to investigate Cayman Airways as was suggested by the Member for Education and the Member for Tourism.

Such an exercise would be futile and it would be totally against the very position and procedure that I have attempted to advocate in regards to the particular Motion. I do not agree with the Member for Education who said that the Member for Tourism, the day that that first Motion on Cayman Airways was defeated, undertook to have an independent study done and this is a direct result of that. Rather, I think that this situation came about as a result of the Members of this House, particularly the Members of the Backbench, stating that they could not in good faith and conscience vote more monies for Cayman Airways without having the necessary information to show that the money was being spent wisely and showing where the airline was losing these monies.

There are many arguments for and against the idea that the main problem of Cayman Airways is the over supply of other airlines on this route. I am not here to say that that is definitely not an element or a problem with Cayman Airways. But I do say that it certainly goes beyond that. I believe there are problems in the organization, management, staffing, the route structure, and in all the various



areas. I believe that there are areas where there are difficulties and problems that can be corrected and could be clearly identified through having an independent study undertaken.

The Member for Education said that the losses were strictly confined to the over supply and that the change of equipment had nothing to do with it. Again I cannot agree with that particular reasoning. Since the operation of the present new jets Cayman Airways has seen its biggest downturn in earnings.

The Backbenchers have asked for information on these areas for several months and have not received all of it. I believe, if and when we do, it will be clear that the problem truly started in a big way when Cayman Airways finally got the two new jets. Although one could get the impression that the problems in the airline are not as big as the Backbenchers are saying that they believe it is, on Thursday, 25 of January, the Caymanian Compass reported on a meeting held by the Managing Director, the Chairman of the Board and the Member responsible. It begins by saying:

"Cayman Airways, Chairman Neil Cruikshank has confirmed that the airline is cutting cost by \$3.4 million over the next five months in an effort to keep operating. Asked how long the airline could survive without the cuts, Mr. Cruikshank said "we have \$5 million in reserves and if we are losing \$500,000 a month there is your answer."

Now to the best of my knowledge, and certainly from the information available to the general public and from what is available to me as a Member of the House in this particular matter, that is indeed very alarming. That is a very recent occurrence within the airlines.

I contend it cannot be reasonably and logically argued to believe that Cayman Airways, always having had financial difficulties, has moved to a situation where the monthly committed monies are three times the amount it was before the purchase of the new equipment. And, that that is not making it much more severely and crushingly hard for the airline to survive or to earn monies. Added to that is the situation of the competition from U.S. carriers.

It has been said by Government, and again the Member for Education and the Member for Tourism, that Government does not have a liability of \$112 million over the next 15 years which is the total cost of the lease payments for the 737's.

I refute that totally. The whole world knows that Cayman Airways is a 100 per cent Government owned airline. Everyone knows that the financial condition of the airline does not place it in a position where the management, the directors, whoever, can walk into any financial institution and say look I have a fantastic balance sheet, I want to borrow so much money. That falls to Government.

I stand here believing that the Government, would never allow this country the embarrassment, should anything happen to Cayman Airways and the monies owed became due, face the embarrassment of having an airline owned by the Government owe creditors all over the place. That is the facts of the matter.

So, I say that the liability for Cayman Airways is squarely on the Government of this country on the revenue of this country and therefore on the people of this country. What needs to be done is that the management of the airline and the Government, together with the representatives of the people, need to work towards ameliorating the situation with Cayman Airways.

It has been said that if Cayman Airways kept the 727 aircraft the expenses it is now facing, with having the 737's, would have been twice as much. I think that is quite impossible unless someone took wholly and solely the figures or the projections that were advanced by the management of Cayman Airways. Therein, lies a certain degree that those projections may not have been 100 per cent accurate.

On these figures, I believe the company would have benefited much more and it can benefit much more if there is independent experts who examine the company to arrive at the figure. To divorce from the collection of data the people who create that data and work with that data and cause that data to actually come about.

It was said by the Member for Education, when he took the opportunity of making some political mileage and beating the other side, that people who were Caymanians were not flying Cayman Airways because of irresponsible remarks by Backbenchers. And while he said he was not attributing it specifically to me, I shared the platform with others who did. Therefore, unless I stated my disagreement with them, that general statement would cover me as well.

It is known it was not something contrived by the Members of the Legislature, who sit on the Backbench, the concerns regarding safety of the 737's. Major international newspapers carried articles about the technical problems that the particular type of aircraft we now fly were having. It was on international television news, CNN had it, every major television network, every major newspaper including our own one newspaper in this country, carried articles about the safety concerns involved with that type of aircraft.

Caymanian people are not silly. They are, I believe, some of the most practical thinking people that one can ever find. They made up their own minds and they had their own ideas about the safety factor of the aircraft. I contend that it is the privilege and the inalienable right of the people in this country if they choose to fly one airline over another. I state that I have never advocated to any persons, nor would I, that they should not support Cayman Airways.

The Third Elected Member in his debate has clearly in detail, using facts and figures as are available to us, and also statements from the members in the senior management of

Cayman Airways, proving that there is not as much concern as the Government is suggesting and that Cayman Airways is having problems because Caymanians are not supporting it. I think that is very poor psychology on the part of the Government to attempt to blame the populace for the performance or the nonperformance of the airline. It is known that the 737's have a smaller cubic capacity than the 727's. Although the Member for Education said otherwise, I grant him that he came back the next day and said he was wrong. We know that it has a smaller capacity than the 727 aircraft. There is no doubt about that, and the fact that he spoke of an article appearing on Monday, 5 March, which says Cayman Airways freight loads are up. This simply states that Cayman Airways is bringing more freight now than it was bringing at a period these figures are compared to. It surely does not say that the cubic capacity of the airlines has increased.

There was contention here by the Member for Education of irresponsible remarks by Backbenchers and that he knew in the district of West Bay there were persons that went from door to door telling people not to fly the airlines. I do not know of any such instance. What I do know and believe is, the Backbenchers, on the issue of Cayman Airways has brought to the forefront concerns about the losses of Cayman Airways and the fact that something should be done to study and find out what is wrong with the airline and to correct it.

I do not agree and I do not accept the argument as are so often advanced from the Government bench about the irresponsibility of Backbenchers. It is not irresponsibility. I believe it is the fact that the Government simply would rather not tolerate any criticisms at all of its performance in anyway whatsoever. Every opportunity that occurs they attempt to show that the Backbenchers are supposedly irresponsible or the Backbenchers will not accept this or accept that. They do so.

I believe this Honourable House would agree that it is on this principle on which democracy, as we know it, is based. The differing views, opinions and the arguments for and against, and at the end of the day the majority carries. As long as I shall live in this country, I will want that to continue to be the case and I shall do everything in my power to see that that continues.

I will call a reference to a number of statements that have been made by our very good friend and departed MLA, Mr. Franklin Smith. He pointed this out in things he has said about the opportunity of being able to speak and having the right to speak and not being curtailed by the Government position. Therein, lies democracy.

Perhaps this could bear out the point that I am trying to make in this particular respect at this time. Interestingly enough, I have a copy of *Caribbean Contact* of February and on page 2 is an article which I would like to quote from quite briefly:

"After years and years of harassment and torment Antiguan newspaper editor Mr. Leonard Tim Hector might enjoy a period of peace. If he does, it will be due to the Privy Council.

In an historic judgement handed down by the Privy Council on the 22 January the five Law Lords in the case of Leonard Hector versus the Attorney General and the Commissioner of Police of Antigua declared the amendment made by the VC Berg Government to the 1972 Public Order Act to be unconstitutional.

The Public Order Act 1972 was introduced under George Walter administration in response to marches and arson of public property instigated it was suspected by supporters of the then Opposition Antigua Labour Party, ALP. Under this Act and the related newspaper act which required an onerous EC \$10,000 bond as a precondition of registration.

Mr. Hector, his newspaper outlet and the Antigua Caribbean Liberation movement were persecuted and prosecuted. The ALP promised to amend these acts or return to power in 1976, so they did.

Removing the \$10,000 bond fee as a requirement for newspaper registration but making the Public Order Act more draconian whereby it criminalised offences which would have been normally dealt with under civil offences of slander and libel. The Act further made it a criminal offence to undermine confidence of public officials."

Mr. President, I read that preliminary part. Now I come to what the ruling of the Law Lords are. It says:

"In a free democratic society it is almost too obvious to need stating that those who hold office in Government and who are responsible for public administration must always be open to criticism. Any attempt to stifle or fetter such criticism amounts to political censorship of the most insidious and objectionable kind. At the same time it is no less obvious that the very purpose of criticism leveled at those who have the conduct of public affairs by their political opponents is to undermine public confidence in their stewardship and to persuade the electorate that the opponents would make a better job of it than those presently holding the office.

In light of these considerations their Lordships can not help viewing a statutory provision which criminalises statements lightly to undermine public confidence in the conduct of public affairs with the utmost suspicion."

I am not for one moment suggesting that we have laws which enforce that type of condition in the Cayman Islands, nor do I believe we would reach a stage where that would happen. But I think something so current by the highest court in the commonwealth says something in regards to criticism by Backbenchers, political opponents, or whatever, one might choose to call it. I was very heartened after the Member for Education had finished in the vein that he started, that he stated an independent study would be welcome by Government and Cayman Airways.

I do take exception with the statement that he thought it amusing that I should want to have another aircraft flying to Cayman Brac if Cayman Airway's present 737 jets were going to be used there. As I said, on that particular respect, I will wait and see what happens. If it does happen, as he said it will, I will wait and see if it will fly for a few weeks, cease, then fly and be rescheduled in a different way. That has been the recurrent scenario and I will wait to see if that changes. I certainly do hope that it will come about and there will be a lasting feature in air communications between these Islands.

I stated what I believe to be true is that that is good and is desirable. In the context that I spoke about that, I wondered whether Cayman Airways might not consider or it might not be desirable to have a third aircraft of a particular capacity that could serve those islands. Plus, if it was suitable to the extent that it could fly charters within the regional area, it would be an area of making money. Again, I would hope that a study would look at inter-areas like that and advise the management and the Member.

I state very clearly and definitely, I would be the last one to ridicule the Towers and Perrin proposal. Unlike what the Member of Tourism said, that he saw no reason why it should be ridiculed. I have enquired enough to be assured it is one of the top companies in the United States in accounting and actuarial studies, though, I do not know how international it is.

The point I made and I still make is that it is not a specialist firm in the matters of airline affairs. I believe that the situation with Cayman Airways warrants the Government employing specialists. People who make their living or firms whose business it is to study airlines.

I also spoke about the situation proposed by Towers and Perrin regarding a Steering Committee, made up of the Managing Director, of the Board of Directors, of the Chairman of the Board and of the Member. I also said that I did not believe any project Steering Committee was necessary. I do not believe that the study should be steered. The only steering that the people conducting such a study should be given is what they are steered by the terms of reference.

The people who have information on Cayman Airways, the departments that need to be visited should be there for these people to examine and they should be provided with all the facts that are available from which they can make their own deductions and arrive at their own conclusions.

I believe it is the type of situation where such a team or such a person should report directly to the Member responsible, since he is not directly involved with the day to day running of Cayman Airways, it keeps the situation at arms length. When the Member has information from interim reports, in turn, the Motion has asked that the Member would keep the rest of the Members of this House informed of what is happening.

It is not enough to say that there is nothing wrong with the management of Cayman Airways now, because it was the same management it had last year when the company made \$1 million. Problems occur with management, problems occur with operations. Problems occur daily within organizations. So that is not very good logic as has been suggested by Government. There is something wrong in Cayman Airways. Today the Third Elected Member from George Town covered most comprehensively the historical development of the airline. It is my honest opinion, because I was involved with it for a number of years in the Government administration, that while there have been studies done, I believe until now those studies, at least to some extent, have been steered to the very thing that I am advocating to not happen at this time. There was never to my knowledge the widest scope given to a total study of Cayman Airways.

Let me say here that I think any study of Cayman Airways should have nothing but hard, cold facts. It should not go in to our history of where the Caymanians came from, and our longitude and latitude and those type of things. It should deal specifically with the matters relating to the airline. I can not argue with the Member for Tourism when he says that certain savings were made by moving the maintenance of Cayman Airways to Grand Cayman. I can but take his word for that because I have no documents that show what it was when it was elsewhere. I think it is good if Cayman has persons who are capable of doing it and obviously we do. One wonders why it has taken so long for it to happen? I could never accept or buy the argument that it is because they are new planes and it is so much easier to manage them and parts are so much more available for them because, on the contrary, that would have been the case with the jets that were sold. So I have no problem whatsoever with the idea that the majority of the maintenance has now been moved to Grand Cayman. I am very proud to know we have capable Caymanians here who can do this work. I want to make it very clear that I believe any Backbench Member has criticised the credibility or the capability of the staff of Cayman Airways. The only criticisms that I have heard leveled has come from the Member responsible for the airline stating their disloyalty within the airline on more than one occasion. I have not been in that position or made that statement myself. I am very proud and I have great trust in the people that work for Cayman Airways.

In talking about Cayman Airways the Member responsible spoke about the fact that the Cayman Islands Government subsidizing Cayman Airways was nothing new. He had been reliably informed that the Government of Jamaica had put a cash injection of \$50 million into Air Jamaica. I would just like to refer to an article from the *Daily Gleaner* of January 11, 1990, and just read a few brief excerpts from this. I think rather than just making the point of the \$50 million cash injection it makes a point that we could use and follow here in attempting to have a study done for Cayman Airways.

"After nine months of studying the situation, Air Jamaica's Board has finally come up with

the decision to down size the airline, retain profitable routes and slash unprofitable tourism routes. Also is considering the creation of a charter division to service the tourist industry."

I firmly believe that Cayman Airways has always had a future in the charter business but to the best of my knowledge it has only been at intervals that it has actually got into charter agreements and has earned the revenues from that it possibly could.

It goes on to say: "Asked if radical staff cuts were planned. Mr. Williams replied, obviously it is going to mean staff cuts but I do not know how many but it is going to go right through the airline." I think that is very relevant for ourselves that if there is going to be cuts it should go right through, top to bottom. Every post and every job should be examined and no group should be selected to be cut, while leaving others who earn more money than those who earn very little.

The article says that Air Jamaica would concentrate on two core routes of Miami and New York which are profitable and perhaps retain one or two others. For example, Philadelphia which they feel could be made viable. He said that the previous board had gone in to some very expensive lease arrangements which would be phased out. The two second hand air buses on order would still be acquired.

There are two points here that I believe are relevant to ourselves and that is the question of routes. Who decides the routes? What studies were done to examine the routes? So much money has been paid into advertising, for example, the latest route that we have undertaken, the New York route. Was it a wise move? Should we look at cutting back on some of the routes that we now fly? Should we retain them? I think these are very relevant questions and any proper study should address these very seriously.

Perhaps the time has come for us to scale back in terms of the number of routes that we are attempting to service. We select two or three that can be shown to have the potential of profit and if we want to fly otherwise, perhaps we should seriously look at the charter market that is wide open for Cayman Airways to develop. I have not advocated now or ever that this country should do away with Cayman Airways. Far from it. I was one of the people in the late 1970's and early 1980's, in the time, as was referred to today by the Third Elected Member for George Town, when every newspaper for some reason, including the poison pen of Mary, was on a daily basis ripping apart the Government of the day over Cayman Airways, about flying it, about having it at all, about one thing or another. It was a daily occurrence.

Anyone who has kept newspapers from those times--and I have--*The Pilot, The Nor'Wester, The Herald, The Voice*, in all of those, it was constant. Even during those times, my position was that it was a necessary entity. But I have since heard many people now, who claim to be so supportive of it in this country, I think they fall into the category as Mr. Franklin Smith has said, "who appear to be saints but they are really hypocrites". At this stage I really do not have to try to prove to myself or to anyone that I have always advocated the development and the survival and the support of Cayman Airways.

Surely I would not advocate this country growing into any position where we are dependent on the whims and fancies of an outside airline if it can be proven that we can live with Cayman Airways. It would have to be shown that Cayman Airways is such a liability to this country that it is unwise there should be Cayman Airways. But that, in my opinion, should be proven beyond a shadow of reasonable doubt. I think much can be done to the airline to salvage the problems it is having and that it can survive, scaled down or whatever. That is my opinion and my feeling on the matter.

In the moratorium which was terminated prematurely by the Member, he went into the details of that. All I will say about that is that I do not believe that it was a very good management move when it was terminated ahead of time. It would have been better for Cayman Airways to have fought on the ground, and here, I refer to the route that it was familiar with.

It had developed the knowledge of personnel, of visitors coming to this country and all the rest of it. Rather than terminating a situation, which gave it certain advantage of competing on a one to one basis, simply to get more routes does not necessarily produce revenues or visitors. Whether or not the legal advice at the time was that there was no grounds for making representation to the United States Government to extend that moratorium, I believe that no one would have known until it was tried. The old saying seems quite apt in this occasion, 'nothing beats a trial but a failure'. So I believe that the Cayman Islands Government was in the position that they could have asked for a further extension of the moratorium and remained within the bounds of the number of routes that the airline was then operating. From my knowledge of Cayman Airways I believe that there are many, many improvements that could be made on the routes which it was operating without having to take on more.

Had this happened, Cayman Airways would have had the Houston route, the Miami route, and it is conceivable and possible the other airlines may have been encouraged to fly to the Cayman Islands from other hubs or other gateways in the United States into the Cayman Islands.

I agree that one cannot rely on foreign carriers to fly where it is not economically feasible. It appears to me like there are not many U.S. carriers flying out of some of the areas from which Cayman Airways is flying. Not that I know that they are prohibited from doing it. Perhaps we could look carefully at that situation and wonder why, if it is not economically feasible for the airlines of that country, then one must wonder if we as a foreign carrier should undertake such a situation.

The Member pointed out that Cayman Airways is a very large employer and it puts \$20 million per year into the economy of this country. I believe that is good if it is going into the economy of this country, but I happen to know that a lot of money is paid by Cayman Airways out of this country, including to a number of employees in other countries. Even employees in other countries, while they are paid here, the money does not remain or it goes elsewhere. This too is an area I believe that needs scrutiny and examination.

The Member of Tourism and Aviation referred to the number of Parliamentary questions and controversy and political flack that has come about over Cayman Airways. Much of that could be avoided if there was more information forthcoming to Backbenchers and the House and country on a whole. Much of that could be avoided and until such times as it happens, there will continue to be questions and controversy and political flack.

The Member also raised the point that employees of Cayman Airways were ridiculed and he called the names of certain pilots, and so on, and said that the country should be justly proud and he is proud of the pilots, flight attendants, maintenance and so on. I too am very proud of them. I have no cause whatsoever to be otherwise.

Most of the personnel there, at least those who have been in employment for some time, I have known personally for a number of years and I have very, very high regard for them. He made reference for example to Captain Thompson, who was one of the persons who participated and was involved in the in-house study. I just want to declare that I have known that gentleman for some time and say that in 1980, I personally wrote to the Governor at the time, a report after Hurricane Allan, saying how daring and brave he acted when he took the Tri-islander and flew some Americans students out of Little Cayman in the face of an impending hurricane. Darkness had fallen at 3:30 in the evening. He went in and I personally stood and watched that aircraft, that sometimes seemed to be cross way over the runway as it was coming in to land.

I know that the Chairman of Cayman Airways at that time, Mr. James Manoah Bodden, personally wrote him and complemented him. He was not a Captain at that time, so I have no doubts or problems or criticisms about him or any other pilots. What I have said with regard to the study of Cayman Airways is, that I do not believe it can receive the best and objective position by having studies done in-house. The capability of that gentleman or any others I do not question. All I am saying, I suppose, is as the great teacher has said, "Those persons who are pilots should be pilots, those who are flight attendants should be flight attendants, maintenance people should be maintenance and leave studies to those who do it". It has been said that one cannot serve God and Moman.

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

Would you like to take a break there? Proceedings are

#### PROCEEDINGS WERE SUSPENDED AT 3:35 PM

#### PROCEEDINGS RESUMED AT 4:00 PM

**MR. PRESIDENT:**

Proceedings are resumed.

Cayman continuing.

The Second Elected Member for the Cayman Brac and Little

**MR. GILBERT A. McLEAN:**

Thank you, Mr. President.

hold the employees of Cayman Airways in very high regard and I have never done otherwise and I intend to continue to do so.

When we took the break I was commenting on the fact that I

The only other point that I would add there is, that I really do not think that the money that is spent to run the various ads in the local newspaper is necessary because I think the people in this country generally feel the same way I do.

The Member for Tourism and Aviation spoke of the idea of Cayman Airways being semi-privatised. I think that is something which should be looked at because I am a great believer in the private sector doing what it can do and Government doing what it should. But I believe the most ideal situation for a business or businesses such as Cayman Airways is where both the Government and the private sector can participate.

I, for one, believe that this is something which it would be worthwhile to examine in any study on the airlines. The study that is being suggested now, I hope will answer all calls for information on the airlines that will be necessary. I again, would wish to emphasise this because the Member has indicated that the Towers and Perrin proposal will be on its way to Finance Committee. I would request and I would suggest that that proposal along with other proposals would be the ideal way to handle the situation when it comes to Finance Committee and that there are other alternative proposals that Members can look at and suggest to the Member from a list or a number of proposals to request the Public Tenders Committee to advertise as possible alternatives to undertake the study.

Again, in this respect, I see nothing wrong with inviting firms that have done studies prior to this on Cayman Airways. But I believe it should go out to competitive bid and that only the best specialists should be invited. In this respect I say also that there should not be a wide open blank check, it should not be a contractual arrangement that is open ended and there should also be some clause of not to exceed a certain amount.

The only other matter that I would like to again raise that was raised by the Member for Tourism and Aviation is on the question of air service to Cayman Brac and Little Cayman. I sincerely believe that it is necessary for a total change of concept and a change of attitude to understand that Cayman Brac and Little Cayman are integral parts of the Cayman Islands. And that in the Government in determining what should be provided in any services including air services it should be fitted in and made a part of it in a primary way and not, in any event, in a secondary fashion.

I believe that one of the things that can be done by Government

that would be most appreciated by people of Cayman Brac and Little Cayman is to know as has been suggested that they too are able to share in regular and frequent jet services. It will make a difference in the quality of life in terms of travel, ease of travel and I do believe it will enhance inter-island movement of people which in turn can have a good and positive economic affect in those two islands.

There are many other points that I could speak to and, as, when I presented the Motion, I had some very barbed comments set down to be made because of others that I was sure would be forth coming. I shall avoid doing that, but to reiterate what the original request was all about, so that there can be no misunderstanding as to what is being requested and, I and I believe all the other Backbenchers who support the whole idea of the examination of Cayman Airways, how it would occur.

I envisioned that what I would ask this Honourable House for is for the Finance Committee, which comprises all 12 Members of this House with the First Official Member as the Financial Secretary, to meet and discuss what would be the terms of reference for a study. Everyone could then ensure that their particular concerns would be covered in the terms of reference and at that meeting or at a subsequent one, however quickly it can be done, the Member for Tourism would present the Finance Committee with a list of specialty firms or persons who can do the type of study that needs to be done for Cayman Airways. And with the blessings of all concerned, the Member could be requested to please take these to the Public Tenders Committee; have them advertise for tender four bids and that that Committee would decide which is the best firm to be awarded a contract of works.

The Finance Committee will give its approval to such monies as is found necessary, from which the Member will be able to pay for the services. As interim reports come in to the Member for Tourism, they are made available to the Finance Committee. Finally, a report is arrived at that comprehensively tells the story of Cayman Airways; finds the areas of need and at which time all Members of this House will participate in a final decision as to what should be done for Cayman Airways.

I thank those persons who have expressed that they support the Motion and it is my understanding that the Government finds it acceptable so I look forward to this Motion being passed and to see a study as requested undertaken.

Thank you.

**MR. PRESIDENT:**  
against No.

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

**AYES AND NOES.**

**MR. PRESIDENT:**

The Ayes have it.

**AGREED. PRIVATE MEMBER'S MOTION NO. 4/90 PASSED**

**MR. PRESIDENT:** The House will now move to Private Member's Motion No. 5/90. While we are waiting for the mover to move the motion, perhaps I could be informed who will be seconding this Motion? The Third Elected Member for George Town.

**MR. TRUMAN M. BODDEN:** Mr. President, I move Private Member's Motion No. 5/90. Amendment of the Radio Regulations which reads:

**PRIVATE MEMBER'S MOTION NO. 5/90  
AMENDMENT OF THE RADIO REGULATIONS**

**"WHEREAS** the Radio Law and Regulations appear not to have been updated to provide for international telecommunications union revision of modes, frequencies and stations in particular for amateur radio operators.

**BE IT THEREFORE RESOLVED** that this House considers that the relevant Radio Regulations should be amended to comply with the International Telecommunications, modes, frequencies and stations which relate to amateur radio operators."

**MR. GILBERT A. McLEAN:**

I beg to second the Motion.

**MR. PRESIDENT:**  
seconded. Would the Mover wish to speak to it?

Private Member's Motion No. 5/90 has been duly moved and

**MR. TRUMAN M. BODDEN:**

Yes Sir, I will be brief on this because this is hopefully a non-controversial Motion. I am somewhat saddened, I guess, that this was originally seconded by Mr. Franklin Smith, the former Second Elected Member for Bodden Town who I know had input that he wished to have given. I can just assure him that I will continue the good work and move it, hopefully, unanimously through the House.

Very briefly, what has happened is that the Radio Regulations of 1977, have not been updated to provide for the amateur radio operators modes and frequencies and stations that are in common use internationally. Specifically the paragraphs that need to be looked at are sub regulations 3(b) of regulation 21, and regulation 22(2), 22(3), 23(2), 23(3) and any other ones that may be necessary to update these

regulations made under the Radio Law.

It will give greater flexibility and, as we know, the amateur radios are very important in times of hurricane or disaster in keeping the islands in touch with the outside world. It is also a hobby and I believe that it is important that this be dealt with by the Government as early as possible.

I guess, while on that, I would just like to also mention that I may be good while in dealing with this specific area and I would ask that these short amendments be made separate from trying to do a complete overhaul of the regulations which has been in process for a long time.

Perhaps channel 16 which is a Marine Radio could also be looked at because it appears that sometimes that channel is used for matters other than what it was originally intended. You could call, and then move on to another channel. It is used I think a lot by people on shore. So I would ask that the Government just deal with these specific regulations which, in fact, are quite short and which would allow the amateur radio operators to fully enjoy as well as to cover us in times of emergencies.

Thank you.

**MR. PRESIDENT:**  
Cayman.

The First Elected Member for the Cayman Brac and Little

**CAPT. MABRY S. KIRKCONNELL:**

Thank you, Mr. President.

I rise to support Private Member's Motion No. 5/90, Amendment of Radio Regulations. I feel this Motion is timely. I have been in contact with several of the licensed amateur radio operators operating in the Cayman Islands and they all have advised me of problems which they are having with frequencies that are now approved for use by the Cayman Island Government but are no longer used internationally. Therefore, many of their colleagues or associates around the world are operating on frequencies which they cannot communicate with.

It is my understanding that the International Telecommunications Union, which is a body of the United Nations charged with the responsibility for regulating telecommunications, holds their regular convention and is attended by all member countries. The Cayman Islands is represented by the United Kingdom Delegation and the last amendment to our radio regulations was in 1977. The World Administrative Radio Conference of the ITU was held in 1979, and at that meeting it made substantial revisions to frequencies, modes and other regulations and they have never been effective in our regulations.

It is also my understanding that the next World Administrative Radio Conference will be held in 1992. Therefore, I feel that it might be an idea that when we are amending our regulations we could somehow word it that our regulations would confirm with the regulations now in effect and accepted by the ITU. Then our regulations would keep current with the international regulations and not become out of date and not in conformance with ITU.

As the mover has said, this is a hobby of many people, but it becomes a very essential service during times of emergencies. I know in Cayman Brac during Hurricane Allan and again during Hurricane Gilbert it was very important that we had two operators there who were able to keep in communications with Grand Cayman and the outside world. It relieved the anxiety of relatives of people on Cayman Brac living overseas and by contacting amateurs in other parts of the world they were able to relay messages of the conditions that were there. We were fortunate that we did not have more serious conditions, but had the conditions been more serious we would have been unable to alert the outside world of our needs and requirements. Without any further word I think this is necessary and I support the Motion.

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

Does any other Member wish to speak? The Honourable

**HON. LINFORD A. PIERSON:**

Mr. President, I rise to speak to Private Member's Motion No. 5/90 which calls for this honourable House to consider that the relevant radio regulations should be amended to comply with the International Telecommunications Modes, Frequencies and Stations which relate to Amateur Radio Operators.

As Government is already far advanced in the preparation of the necessary amendments required which covers fairly comprehensively the questions raised in this Motion I see no problem in supporting it. To an extent it could reasonably be said that this Motion has been overcome by events.

I have available a draft of the amended Radio Regulations which I will make available to the mover and seconder of the Motion for their comments and to ensure that it reflects the input from those Members. Already the mover has provided me with some of the amendments which he would wish to see enshrined in this legislation.

Radio Regulation 53, of the International Telecommunication Union, defines amateur service as a radio communications service for the purpose of self-training, inter-communication and technical investigations carried out by amateurs. That is by duly authorised persons interested in radio technique solely with a personal aim and without pecuniary interests. It is an undisputed fact that amateur radio operators provide a most essential role. Especially in the event of natural disasters such as hurricanes when all other communication systems can sometimes be totally cut off.

As all Honourable Members of this House are aware, Government has recently entered into a contract with the Motorola Company to install a state-of-the-art communication system which will be equipped with proper side-band radios, also, for the purpose of communicating in cases of emergencies. Hopefully, Cayman Brac and Little Cayman will also be included. I should like to say that this is now a reality, in that, the system in Cayman Brac will be installed simultaneously with

the system in Grand Cayman and hopefully the systems will be up and going before the hurricane season.

It may be of interest to this honourable House for me to advise that Government is also presently exploring the possibility of becoming a part of the Caribbean Amateur Radio Networking with the United States of America, from which these Islands will benefit greatly. Such a Third Party Traffic Agreement on amateur radio operations between the Cayman Islands and the United States is hoped will bring immeasurable benefits to these Islands.

As stated, Government recognises the valuable contribution made and is being made by amateur radio operators in the Cayman Islands and abroad. Although primarily a hobby, in times of disaster this type of radio network is transformed into a core of highly trained public communicators rendering a very valuable service in their communities. Further, there have been several attempts over the past five years to update the Radio Law and Regulations. In 1987, a radio communications consultancy was undertaken by ITU which addressed a number of areas including, national telecommunication legislation, regulations for land mobile service, radio monitoring service and radio regulatory office organisation. Considerable emphasis was also placed on the amateur service in this report. This exercise was undertaken to bring the Cayman Islands in line with ITU Regulations and to introduce a proper monitoring agency headed by a highly trained telecommunication officer. The Telecommunication Officer's office of responsibilities will be to establish a telecommunication office concession and licensing, telephone and telegraph service, broadcasting service and radio service.

The duties of the telecommunication officer are fairly well covered in the draft Radio Regulations which I referred to earlier. In 1988, a telecommunications officer was appointed and work continued on the draft amending legislation and regulations. However, before the completion of this exercise the telecommunications officer left the island. This brought the legislative drafting process in relation to radio communications to a virtual standstill. The post has however been advertised and should be filled within the next two months, following which, the draft regulations will be reviewed and brought to this honourable House.

As stated, the amateur radio service exists on the understanding that it is used for the purpose of intercommunication, self training, and technical investigations carried out by amateurs. Therefore, it must be borne in mind that in amending the radio regulations that we recognise the existence of normal communications systems such as Cable and Wireless which is the major communication system in the Cayman Islands. However, it is understood that the amendments proposed in the Private Member's Motion are all relative to amateur radio and will not affect other radio communications. These amendments all form a part of the radio regulations exercise which is currently on the revisions. Accordingly, I have no problem in supporting this Motion.

Thank you, Sir.

### SUSPENSION OF STANDING ORDER 83

**HON. THOMAS C. JEFFERSON:** Mr. President, under Standing Order 83, I would move the suspension of Standing Order 10(2) to allow the business to continue. I am unsure of what time, maybe until five o'clock.

**MR. PRESIDENT:** Perhaps it is to finish the business on the Order Paper?

**HON. THOMAS C. JEFFERSON:** I think the next Motion should go quickly, because it does not seem to me that it is controversial in nature.

**MR. PRESIDENT:** I shall put the question. Those in favour please say Aye...Those against No.

**AYES.**

**MR. PRESIDENT:** The Ayes have it.  
Standing Order is accordingly suspended.

**AGREED. STANDING ORDERS SUSPENDED TO ALLOW THE BUSINESS ON THE ORDER PAPER TO CONTINUE.**

**MR. PRESIDENT:** Standing Orders are suspended. Resuming the debate, does any Member wish to speak? Would the Mover wish to reply?

**MR. TRUMAN M. BODDEN:** Just to thank the Honourable Members. My only plea, is that since the ham-radio side is simple and sort of isolated from any of the licensing arrangements that are complex, if he could please amend the Radio Regulations in between and perhaps leave the more complex matters for later on. I do know the Ham Operators have been waiting, as he has mentioned, for quite a number of years to get this done. So I would ask the four little amendments could be put through before the bulk of the radio regulations are dealt with.

Thank you.

**MR. PRESIDENT:** I put the question therefore on Private Member's Motion No.



5/90. Those in favour please say Aye...Those against No.

**AYES.**

**AGREED. PRIVATE MEMBER'S MOTION NO. 5/90 PASSED.**

**MR. PRESIDENT:** I was gesturing because the Mover of the next Motion is not in the House. Perhaps we could hold on for a moment while he is found? Or would you like to take the No. 7 first? We will move then to Private Member's Motion No. 6/90, the Second Elected Member for the Lessor Islands.

**PRIVATE MEMBER'S MOTION NO. 6/90  
PROPOSED CHANGE OF REFERENCE TO CAYMAN BRAC AND LITTLE CAYMAN**

**MR. GILBERT A. McLEAN:** Thank you, Mr. President.  
I beg to Move Private Member's Motion No. 6/90 - Proposed change of reference to Cayman Brac and Little Cayman. It reads :

**"WHEREAS** the islands of Cayman Brac and Little Cayman are an integral part of the Cayman Islands but are presently referred to as the Lessor Islands, which term may connote inferior status;

**AND WHEREAS** the people of Cayman Brac and Little Cayman dislike the use of this term in referring to these two Islands;

**BE IT NOW THEREFORE RESOLVED** that legislation be introduced to repeal the words Lessor Islands in all Laws, Regulations and Orders and replace them with the words Cayman Brac and Little Cayman."

**CAPT. MABRY S. KIRKCONNELL:** I beg to second the Motion, Mr. President.

**MR. PRESIDENT:** Private Member's Motion No. 6/90 has been duly moved and seconded. Would the Mover wish to speak to it?

**MR. GILBERT A. McLEAN:** Thank you, Mr. President.  
This Motion is one that is very straight forward in what it is asking for. It is being brought because of various requests and comments and statement that I have heard from the people of Cayman Brac and Little Cayman about these two islands being referred to as the Lessor Islands. In each instance that there has been a representation to me, the people have expressed disapproval about this term. It has been from a cross section of people from Cayman Brac and Little Cayman living here, I have heard expressed dislike and disapproval of this term.

From what information I can gather on it, I understand the term was coined on the suggestion many years ago of a Commissioner, which I understand, was in his opinion a term that was more brief and expressed the idea of a connotation that it meant the smaller islands. However, there is meaning in words and I must say that I believe this term has created a lot of unpleasantness and disapproval in the minds of people in Cayman Brac and Little Cayman. I believe that a change in this term would be a very meaningful gesture on the part of Government and on the part of the Members of this Legislative Assembly because it is not the case that, for example, in some of the chains of islands in the Caribbean where they are not peopled or that people travel to them very infrequently. These two islands definitely have a specific name.

Sometimes I liken it to, if everyone was called 'you', and they differentiated by saying 'you taller' or 'you shorter' and so on. I think it would be a happier, a more pleasant and a more acceptable situation and it would provide a meaningful move by Government for this particular change.

They say, 'what is in a word'? I am asking that the words Little Cayman and Cayman Brac be given the due recognition they deserve instead of in our laws and regulations referring to them as the Lessor Islands. I trust that the Members of this honourable House would see the intent behind this and they would give it their support.

Thank you.

**CAPT. MABRY S. KIRKCONNELL:** Thank you, Mr. President.  
I rise to support Private Member's Motion No. 6/90. A Motion which I feel is long over due, the proposed change of reference from Lessor Islands to Cayman Brac and Little Cayman.

For someone not being closely associated with the two smaller islands it may not have any significance, but for the people living there it is their home, they are proud of it. It is their heritage and many of them, particularly the older ones, have repeatedly said that they resent the fact that they are called 'lessor'. They feel that they are as patriotic, they feel they are as much a part of her Majesty's crown colony as anyone residing in Grand Cayman and they sort of resent the fact that that title Lesser is bestowed upon them in the Constitution and in most of our laws.

I hope that the other Members of this House will take it and what the mover and I as a seconder are moving here. We are not trying to do anything but what we feel is to create a sense of equality and to satisfy many former politicians that I know have asked. They did not succeed in getting it

done during the time that they were in the House. I think that if we can do it now, they will appreciate it. So I ask all Honourable Members, it may not mean anything as I said to you all, but to those of us who live over there it has a significance and I ask for your support for this Motion.

Thank you, Mr. President.

**MR. PRESIDENT:**

The Honourable Third Official Member.

**HON. J. LEMUEL HURLSTON:**

Mr. President, I rise to speak to Private Member's Motion No. 6/90 entitled proposed change of reference to Cayman Brac and Little Cayman. The origin of the term Lessor Islands is unknown. It is not possible to ascertain with any degree of certainty when this term first came into use. It is a standard descriptive term used in many places to differentiate larger islands in a group from the smaller islands.

For example, we know of references to the Greater and Lesser Antilles. It is pretty clear that in the case of Cayman Brac and Little Cayman it is and has always been purely a descriptive practice. The terms Grand and Lesser or their equivalents are found periodically in old maps. For instance, a map in 1828 has the smaller islands both named Little Caymans. For example too, in old Colonial Reports of 1906, the term "Lesser Caymans" is found in reference to Cayman Brac and Little Cayman. However, it is spelled using the letter in the form of a small 'l'.

In the Colonial Report of 1910, as another example, that report using the term more formally with the letter in the capital form. The letter 'L' again referring to the Lessor Islands. No formal decision was ever taken with regard to the naming of the islands as Lessor Islands. The reference and usage has merely evolved informally with practice over long periods of time.

To my knowledge the term Lessor Islands is not used in our Constitution. The term used in the Constitution is the islands. The Islands are defined as the Cayman Islands. Nevertheless, Government accepts that a particular dislike to the term has evolved, and given that perhaps with good reason, the residents of those islands would prefer not to be referred to as Lessor or otherwise. There is no harm, indeed there is some merit in identifying with their proper titles. The Government, therefore, is quite happy to accept the spirit and purpose behind the Motion accepting the intent of it and the Government will find appropriate ways and means of achieving the objective of the Motion.

It may not require separate Legislation, it may simply, for example, require definition in the interpretation law, where references can be taken as meaning similar things. That aspect of it is a legal technical matter that can be worked out without much difficulty. Suffice it to say, we are going to have to be somewhat tolerant and patient with those of us whose memories are short and whose habits change slowly. Perhaps for some years to come, we may still find that inadvertently persons may refer to the islands as the Lessor Islands. When that occurs I trust that the citizens of those islands will not take it as an offense, but take it in the spirit that old habits die hard.

We commend the mover and the Seconder and the Government is happy to accept it, Sir.

It appears that no other Member wishes to speak. Would the

**MR. PRESIDENT:**  
Mover wish to reply?

**MR. GILBERT A. McLEAN:**

Thank you, Mr. President.

I am very happy to know that Government has understood the intention behind the Motion, why the Motion was brought, understands the significance of it to the people of Cayman Brac and Little Cayman and that it will undertake and give of its best efforts to find the easiest way of achieving what the Motion calls for.

I think it is very much in order, as I say, on behalf of myself and my colleague the First Elected Member and for the many of the politicians from Cayman Brac and the people of Cayman Brac and Little Cayman that have expressed concerns about the particular term to say thank you to the Government in accepting this Motion and undertaking to have it changed. I imagine, it will have the full support of the House.

Thank you.

**MR. PRESIDENT:**

Before I put the question, perhaps I might mention the Clerk and I and maybe all the Members would like some guidance on how you and your colleague would like to be referred to in future, because it is going to be quite a long title.

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

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

**AYES.**

The Ayes have it. Private Member's Motion 6/90 has accordingly passed.

**AGREED. PRIVATE MEMBER'S MOTION NO. 6/90 PASSED.**

**MR. PRESIDENT:**

Now we were about to proceed to Private Member's Motion No. 7, but I am informed that the Mover and the Government Members concerned would prefer to take this tomorrow, so with the leave of the House we should be moving the adjournment.

**ADJOURNMENT**

**HON. THOMAS C. JEFFERSON:**  
until the o'clock tomorrow morning.

Mr. President, I move the adjournment of this honourable House

**MR. PRESIDENT:** The question is that the House do now stand adjourn until tomorrow morning at 10 o'clock. Those in favour please say Aye...Those against No.

**AYES.**

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

**AT 4:50 PM THE HOUSE STOOD ADJOURNED UNTIL 10 O'CLOCK, FRIDAY, 9TH MARCH 1990.**



**FRIDAY  
9 MARCH 1990  
10:15 AM**

**MR. PRESIDENT:** Prayer by the Elected Member for East End.

**PRAYERS**

**MR. JOHN B. McLEAN:**

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 Assembly are resumed and a very good morning to all Members.

**SUSPENSION OF STANDING ORDER 14(2)**

**HON. THOMAS C. JEFFERSON:**

Good morning to you too, Sir.

I would like to move under Standing Order 83, the suspension of Standing Order 14(2) so that Private Member's Motion No. 7/90 can be taken prior to tabling the Report of the Standing Finance Committee. The Deputy Clerk is not quite ready with it as yet, Sir.

**MR. PRESIDENT:** I shall put the question that Standing Order be suspended to allow Private Member's Motion. Those in favour please say Aye...Those against No.

**AYES.**

**MR. PRESIDENT:** The Ayes have it. Standing Order is accordingly suspended.

**AGREED: STANDING ORDER 14(2) SUSPENDED.**

**MR. PRESIDENT:** We move to item 3 - Other Business: Private Member's Motion No. 7/90, the Third Elected Member for West Bay.

**OTHER BUSINESS**

**PRIVATE MEMBERS' MOTIONS**

**PRIVATE MEMBER'S MOTION 7/90  
REVIEW OF TRANSPORTATION SERVICES**

**MR. JOHN D. JEFFERSON, JR.:**  
Review of Transportation Services.

Thank you, Mr. President.

I beg to move Private Member's Motion No. 7/90, entitled

**"WHEREAS** there is considered to be some dissatisfaction amongst operators employed in the transportation Services Industry;

**AND WHEREAS** growth in the tourist industry is dependent among other things upon the

existence of good transportation services;

**BE IT RESOLVED THAT** this Honourable House appoint a Select Committee consisting of all Honourable Members to review the conditions that exist in the transportation services industry and report back to this House its findings and recommendations as soon as possible."

**MR. GILBERT A. McLEAN:**

Mr. President, I beg to second the Motion.

**MR. PRESIDENT:**

seconded. Would the mover wish to speak to it?

Private Member's Motion No. 7/90 has been duly moved and

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

Thank you, Mr. President.

I feel that this is a very important Motion and the concerns that I am going to raise should be addressed. Failure to do so will result in very unfavourable incidents that may hurt us, especially from a tourism stand point. I must add that a similar Motion was brought in 1986. It was moved by the Second Elected Member for George Town at that time, who happens to be the Honourable Member now for Communications and Works, and it was seconded by the Second Elected Member for West Bay at that time, who is presently the First Elected Member for West Bay.

Let me read what that Motion said and comment on it with regard to what is still existing today. It reads:

#### **AMENDED PRIVATE MEMBER'S MOTION 8/96**

#### **INEQUITIES AMONGST TAXI'S AND OTHER CARRIERS.**

**"WHEREAS** there is growing unrest amongst the group of taxi drivers operating within the Cayman Islands over what they regard as an unfair split of transportation revenue between themselves and other transportation businesses.

**BE IT RESOLVED** that Government appoint a Special Committee consisting of five (5) Elected Members to investigate these reported inequities and report back to this House with their recommendations as soon as possible."

This Motion basically called for an investigation into the unfair split of revenue between private taxi drivers and other operators in the transportation industry.

At this time, in 1986, the remarks, from reading the Hansard, were basically directed towards Tropicana and the barge Kon-Tiki which took tourists from Hog Sty Bay to the public beach. Well the Lord took care of the Kon-Tiki, but since that time, the situation has been aggravated further by, first of all, the volume of business that is controlled by tour bus operators. Back in 1986, the only one they were concerned about was Tropicana, but since then, we have others who have come into the business and they are carrying as many and more passengers than Tropicana. On top of this, there is not at present efficient level of business to support the private taxi operators. This has been aggravated, as I said, because of the increase in tour bus operators who handle a large percentage of the business. It has also been aggravated by the Government continuing to issue new taxi licences. Every week it seems that you see a new face in the industry. This is causing great concern among our taxi drivers. I must stop here and add that despite the impression that some people have of taxi drivers, I would say 95 per cent of them are honest, hard working and upright citizens their only interest being, to make a decent honest living. I had the privilege for a year and a half to operate in this industry as a taxi and tour bus operator and I got to know them individually on a personal basis. I have no regrets regarding to my association with them.

According to statistics at the present time we have 199 taxi licences issued. The Traffic Department also suspects that maybe a few drivers are operating as taxis, but do not have the required licences. So it could be more than 199.

I think it is time for the Government to consider in a Select Committee when they meet, placing a moratorium on the issuance of any further taxi licences for a period of time. Those drivers who are dependent on the taxi service to make a living, must be in a position to be able to continue to do so. We must enable them to survive so that they will be able to take care of their families financially. The advantages that we have in this country that as a result of the prosperity and the level of economic activity that we experience and enjoy, that everyone has been in the position where they shared in that prosperity. That position must continue, otherwise may be faced with problems.

The other problem out there in the industry is the confusion with regard to the distinction between a bus and a taxi. We have a few who pose as both. For example, if I am on the local route operating as a bus between George Town and West Bay, and on my way down I do not have anybody on board and I see a couple standing on the side of the road, the chances are that they were told that they could catch a bus. But I am operating as a bus and see those two people standing on the side of the road, I will pick them up and take them into town. Now, the fare if you are acting as a bus is \$1 per person. If you are acting as a taxi, it is \$2 per person. It causes confusion and in order to confirm that, I would like to read a letter that I was given a copy of and it is dated the 25 February 1990 and it says:

"Gentlemen, during our vacation we stayed at the Holiday Inn. We were told to take the bus

to George Town for \$1 per person. We went to the Foster Food Store to depart. We were picked up by a cab driver who said he was the bus. He took us to George Town and charged us US\$4 for 2 people.

Similarly on the way back to the Holiday Inn we were picked up at the bus stop north of the Wharf restaurant. That lady cab driver also charged us \$4.

Our question is, should a cab driver impose on vacationers as a bus and charge taxi rates? We do not think so.

Steven F. Hanson,  
Wisconsin."

That is an example of what I am talking about. I think it is time and it will not affect that many operators because out there you have those drivers who have chosen to taxi services and you have another group who have chosen to offer bus services. You have very few who offer both. I think it is time for us to consider issuing two categories of licences for these groups, namely a bus licence to operate as a bus and taxi licence for operators wanting to operate as a taxi. The two should be separate and distinct. A taxis, for example, should be clearly marked 'taxi' or they could have a sign on the top which is common place and a small investment. A bus could be clearly marked or labeled as a bus so that there is no room for confusion in the future. I think it is very important for us to recognise that along with banking tourism is one of the main pillars in our economy. We must do everything within our power to ensure that visitors to our Islands get the impression that we are fair, friendly and that we are honest. We should not allow this type of confusion because (and I think the statistics would bear me out), we probably have 85 per cent of our visitors coming from the United States of America. They are used to seeing a bus which is separate and distinct from a taxi.

I am going to recommend that the Government consider exploring the possibility of metered cabs in this country. Over the years, and I have heard this personally, being a previous operator in the industry, there have been incidents of overcharging by taxi drivers. In particular, overcharging our tourists. And this does not speak well for us as a tourist destination. It is not fair to the reputation of taxi operators, the majority of which as I mentioned before, are hard working, upright and honest individuals. Some of these incidents have been intentional, others unintentional due to the fact that the taxi driver did not have his rate sheet and thought of the wrong fare or some of our taxi drivers even have difficulty determining the correct fare even using their rate sheets. I support wholeheartedly the idea of meters because I feel that it would lend itself to consistency in the industry. It will eliminate the idea of overcharging or undercharging. It would also eliminate suspicion, especially from our American tourists who are familiar with travelling in metered taxis.

There is a group locally who are members of the Cayman Independent Taxi Association who have taken the initiative to have meters installed in their cabs. This group now boasts of a membership of approximately 75 members. The Government was very kind to them in that they requested and were granted exemptions by the Executive Council on customs duties on these meters to be brought in. The association will make these meters available to members and to other taxi operators who would be interested in a meter at cost.

The cost of a meter that they are installing, work out, as I am told, to about US\$450 per meter. There are some operators, because of the situation out there, who will not be in a position to pay for their meters in one lump sum. The association is prepared to finance these meters over a 12 month period at probably \$45 or \$50 per month because they will have to secure financing for these meters. But they will be available to members at cost. I also have a couple of letters here supporting the idea of meters. This one is dated the 2 March and it says:

"To whom it may concern;

As patrons of your Island and taxi service, we feel a most equitable and desirable system would be the use of a metering service. It would eliminate the free-lance fare system which we have observed in our travels of the Islands.

Signed  
Mr. Bricks  
South Bend, Indiana."

The next letter is from a local resident and it says:

"To whom it may concern;

As a frequent taxi cab user, I believe that a metered system is preferable. While most drivers are extremely honest, sometimes there is a different price quoted from and to the same point by individual drivers. A meter would stop confusion, I feel and visitors, many of whom are from the States, would feel more comfortable seeing meters and thus know that no

particular drivers are either overcharging or giving preferential prices to some people.

Signed  
Beverly Bartlett."

This is signed by Beverly Bartlett. That gives you an idea of how members of the travelling public feel about the idea of meters. I was trying to think of some of the disadvantages. The only one I could think of was the cost of the meters. By the association being prepared to finance them, I really do not see any reason why this would be burdensome to our drivers who are employed in the transportation services.

There are some taxi drivers out there who do not want any rules whatsoever. They want to continue to do whatever they feel like doing. Their argument is that "it is my cab, I paid for it. You cannot tell me what to do and I will continue to do whatever I feel like doing". This means not only overcharging, and I have seen this from a first hand basis, but also undercharging, which is just as bad. If you are in the taxi business, you wish for a Nor'wester everyday. The reason being that cruise ships have to go to Spotts to dock and from Spotts the taxi or bus drivers get \$3 per person to town and \$4 to the beach. I think from the dock in town it is \$2 per person to the beach. So all taxi drivers and bus drivers are very happy when the ships have to land at Spotts. But I have seen them standing in line waiting for a customer and some park on the street and they do not want to obey any rules. How it works is there is a queuing system. You get in line and when your turn comes you get in, you load up and go about your business. They come to the pier and they say come with me, I am carrying people to town for \$1 per person or \$2 per person. Anytime a member of the public has the choice between traveling the same distance for \$2 per person rather than \$3, automatically it is going to attract some attention. That hurts the other reputable people in the industry who do abide by the rules. I had the opportunity of riding in one of the metered cabs locally. I was very impressed. First of all, there is a tag or seal on the meter which means that if it is tampered with it is very noticeable. The other thing, the fare is very visible and the meter produces a receipt which is valuable to business travellers because they use it to support their expense accounts. In addition to that, the receipt has the assigned cab number. For example, and this has happened many times, a visitor might leave a piece of luggage or a camera in the cab and you have 40 different cab drivers, all having a grey van or bus. It is impossible for the visitor to say it was that particular cab that I left my camera in. But in this system there is on the receipt, an assigned number. In the case of an incident all they would have to do is produce that receipt and from that the operator or the association would be able to say that is number 1, yes, that is Robert Hunter or David Espew or whoever it is. They can then get on the telephone and contact that taxi driver and retrieve the article the passenger had lost.

As I said, I was very impressed and I commend the association for taking the initiative and providing an improved service by the installation of meters in their cabs. There are going to be some fares which you would not be able to meter. For example the fare from the dock to the beach or the hotels which is \$2 per person. That would remain. The fare from Spotts to town or the beach is a fixed thing and the cruise ship passengers have been told what that fare is, so I would not suggest that we tamper with that. Also, according to the Member for Tourism, at the airport now the dispatcher is issuing vouchers saying specifically what the fare is so that there is no confusion for the passenger. I do not think that should be tampered with. So even though we might have metered cabs, I think from those points of destination that those fares should remain.

Another area we need to pay attention to is the dock, right here in Hog Sty Bay. As a Government we have to address the conditions there in a very positive manner. First of all, I think that salaries in that area have to be upgraded in order for us to be able to attract the right calibre of people that will be in a position to offer the quality of service to our visitors that they are entitled to.

These persons, just from the image standpoint, I feel should be in uniform and should be trained in some degree of public relations because it is very important. A lot of times a visitor will need information and I think that person should be in a position where they know what they are talking about. I am not saying that those there at the present time do not. I am saying that I think we need to recognise the value of tourism and upgrade the services that are made available to our visitors.

This really concerns me, that it is time to install in that area a pedestrian crossing light as they have at the Hyatt, where when visitors want to cross the street they can push a button and traffic is halted with a red light. Then they can cross safely, because if you go there on a Tuesday, Wednesday or a Thursday, it is total chaos. The cruise ship passengers pass at any angle, from any point and they are taking a chance, fighting traffic in the process. I would hate for us to wait until we have a serious accident in that area and some passenger is killed. This is normally what happens. Unfortunately we do not address these situations until we have an incident and then we get around to doing something. I believe in prevention.

The other thing that I think we should consider at the dock (which is abused) is the small horseshoe area where our independent bus drivers and taxis line up. I think that area should be restricted especially for that group of people and not be utilised by the tour bus operators who haul three, four or five people at a time. It causes a lot of congestion and as a general rule, the tour bus operators have been lining up and loading from the Viking Gallery across the street. I think they should continue to load in that area, rather than crowding the small horseshoe area where our independent taxi drivers and buses line up.

It makes sense for the Tourism Department to approach cruise ship operators to encourage them to use private taxis and private buses for the transportation needs of their passengers. The only reason why the majority of the passengers travel by tour companies is because the cruise ships get a substantial portion of all monies raised through tours booked from the ship. I had the privilege last year of taking a cruise and the average cruise passenger is charged approximately US\$20 per person for a tour of the tourist destinations - the Turtle Farm and some of the attractions we have in town. Whereas, that same tour is



available to those passengers by private buses and taxis at \$8 per person. What is so comical is the fact that even though these passengers are charged \$20 or \$25 per person, if there is a spill over, private taxis and private buses are also used for these tours. So, I am not saying that all the business should go to them, but I think it would be helpful if sign in that area is erected which sets out the fares that are available. If the cruise ship passenger feel like paying \$20 or \$25 for the tour, then that is their choice. If the Department of Tourism takes that approach, they would be making a positive contribution towards the financial survival of our private taxi and bus operators, the majority of which are our people. Whereas, the ownership of some of those tour companies, is suspicious with regard to their Cayman connection.

At the airport, there is still room for improvement, though the system works fairly well. What happens is the Civil Aviation Department charges operators in that area who want to operate from the airport \$30 per month. It gives you the right then to operate from the airport. But, according to my information, one of the main problems is the tour operators are allowed a maximum of 20 passengers per flight, or a maximum, according to what I was told, of 40 passengers for the day. This practice has been abused at the expense of our taxi drivers who pay to operate from the airport.

I am not saying that if there are no taxis in line our visitors should be told you have to wait here until another taxi comes along. I do not think that is fair. But you have a lot of private taxi operators at the airport and the unavailability of a sufficient number of cabs should not be a problem.

I have also been told there are different payment rules with different companies operating there. One company, for example, what they do when you are being dispatched to the Holiday Inn, which is \$8 for the trip, that taxi driver or bus driver is given an envelope with the cash. There is no question. He gets in his cab and takes the people and he is paid beforehand. Others have a voucher system. The taxi driver is issued a voucher and sometimes they have had problems in the past collecting on those vouchers. They have to be running back and forth wasting their time, (when they could be on the road), chasing the money that they are entitled to. So we have to be fair, but also consistent. Whatever rules apply to one particular company, should apply to them all.

These are some of the areas that I think need addressing in the transportation service. As I mentioned in my opening remarks, if these issues are not addressed, we could be faced with some unrest among our taxi and private operators. We as leaders, have to all be conscious of securing and protecting the interests and welfare of our people. As long as we keep our people happy I can assure you that we can continue to enjoy stability in this country.

We have rightfully earned our reputation as one of the most favourable and friendly tourist destinations in the world. It is not that we have anything different from any other location. For example, Jamaica is a very beautiful country. The sights are much more attractive and have mountains. We do not have a whole lot here. The main asset that we have is our 'friendly people'. And when you pay money to travel it makes a difference when you are treated cordially and friendly. It makes you want to come back for a visit and this is one thing that we must always try to encourage. The repeat business of tourists.

I do not think I have asked for anything that is unreasonable. I do not have any personal axe to grind. The reasons why I have brought this Motion is out of genuine concern for those services and conditions in the transportation industry and for the financial survival of my people.

Thank you, Mr. President.

**MR. PRESIDENT:**

The Honourable Member for Communications and Works.

**HON. LINFORD A. PIERSON:**

Mr. President, I rise to speak to Private Member's Motion No. 7/90 which seeks to have a Select Committee of this Honourable House appointed to review the conditions that exist in the transportation service industry and report back to this Honourable House their findings and recommendations as soon as possible.

As all Honourable Members and the listening public are aware, there has been dissatisfaction among operators employed in the transportation business for quite some time. The mover of the Motion correctly stated that as far back as 1986, a similar Motion was moved by myself and seconded by the now First Elected Member for West Bay regarding the inequities which we saw in the split of revenue between the private taxi drivers and other operators. While I will agree that the deliberations and debate centred mainly around Tropicana and Kon-Tiki at that time, it was not necessarily only those two operators that were included in those inequities. Also, it cannot be denied that our tourism industry which forms a vital sector of our economy is dependent upon the existence of good, reliable and courteous transportation services. It is because of the importance of tourism to our economy why various efforts have been made in the past to regulate the transportation services, but they have met with little success. The Civil Aviation Authority and the Port Authority have both provided terms and conditions for all operators employed in the transportation services industry operating out of those locations.

Before continuing I would just like to mention briefly the comments made by the mover in regard to the operations on the dock. Perhaps the mover is not aware that efforts have recently been made to upgrade the system operating on the dock. I will, in a minute, read the terms and conditions which now apply to operators there. I think I should also correct any misunderstanding that might be transmitted, in that, dispatchers at the dock are in fact, trained individuals who are put in uniform.

Regarding light for pedestrian at the dock, I would again circulate copies to the Technical Advisory Committee Report which has, in fact, addressed a number of problems including the congestion on the water front. It is hoped that we will have the funding to put these improvements in place. The question of pedestrian lights is one matter which has been addressed in the Technical Advisory Committee Report which was a conceptual plan for George Town.

It is believed that the problem of congestion on the dock is one which could be corrected when and if a proper berthing facility for ships is built in the harbour or some other place in George Town. Such a facility, and this is just for information purposes, would allow tourists to leave or go back onto the ships at their leisure. Thus avoiding tourists being dumped in the centre of town all at once, as is now the situation, with the tendering facilities that we have in operation.

With regard to the airport, this is a matter that falls under the Civil Aviation Authority and I feel sure that the Member for Tourism, under whose responsibility this falls will no doubt speak on this. But as the Chairman of the Port Authority I can assure the Member that many of the points raised by him have already received urgent attention.

In respect to the terms and conditions at the dock, these are quite specific and for the information of the House I would like to briefly go through them.

**"Terms and Conditions":**

- 1 Drivers must be Caymanian or hold Caymanian Status and have held a taxi drivers license for at least 12 months.
- 2 Operators or drivers must have current insurance to cover all third party liabilities that may arise. Drivers must hold a valid Cayman drivers licence and drivers commencing operations after the date upon which these terms and conditions come into effect must hold such licenses free of endorsements, for endorsements occurring after these terms and conditions come into effect, the following penalties shall apply:
  - a) The first endorsement will be a caution,
  - b) The second endorsement a six month suspension, and
  - c) The third endorsement permanent suspension."

I should mention at this point that these terms and conditions have just been approved by the Port Authority but they have not yet been put into effect. They will shortly be brought into effect. The third point is:

- "3 Drivers must, at all times, be clean and neatly dressed and shall be indentifiable by the public as taxi drivers by means of a badge or uniform approved by the Director of the Port Authority, provided always, that such approval shall not be unreasonably withheld. An identification card, including a personal photograph must be displayed in a prominent position in the vehicle."

I am taking the time to read this in order that the Member and the House, including the listening public, will be aware of the steps already taken to address a number of the problems that have been mentioned here today.

- "4 Drivers must have knowledge of the history, geography, commerce and government of the Cayman Islands."

In this respect, it is hoped that the Port Authority will be able to work very closely with the Tourism Department in setting certain standards for the drivers.

- "5 Vehicles must be kept clean inside and out and in a road worthy condition acceptable to the Director of the Port Authority. Vehicles must have an air-conditioning system in working order."

I wish to make it abundantly clear that these rules have been made for quite some time and long in advance of any knowledge of this Motion that they have been reviewed by the Legal Department.

The sixth condition:

- "6 Cars must have at least four doors, a hard top and sufficient space to comfortably accommodate the passengers and their luggage.
- 7 Drivers are required to liaise with the Authority Security Officer with reference to the arrival of all known landings and shall make every effort to provide a service when needed.
- 8 Drivers must remain with their vehicles at all times at the dock within the taxi dispatch area and plying for hire.
- 9 Taxi drivers must not toot for passengers at the dock and during business runs drivers must not solicit business outside of their business of taxi drivers, nor shall they volunteer personal opinions regarding particular hotels unless passengers request information of this nature.

- 10 Subject to the discretion of the taxi dispatcher and the agreement of the passengers concerned, taxis are allowed to take passengers to more than one destination per trip from the dock.
- 11 Unless otherwise directed by the Dock Security Officer taxis will line up in the marked taxi rank and will take passengers on a first come/first serve basis in the line up system."

That is, the first taxi arriving at the dock dispatch area will pick up the first passengers requiring the service and so on.

- "11. Drivers refusing a trip will be sent to the back of the line.
- 12 (a) Taxis are not allowed to pick up passengers on any part of the Port property other than the taxi ramp, provided that subject to any general and special direction of the cooperation of the Dock Security Officer who may permit an additional place or places to be used.
- (b) Entrance is at the south of the Port property and exit at the north. No right turn into the taxi ramp is allowed.
13. Drivers must observe the Port Authority Law and Regulations.
14. A good standard of conduct and discipline must be maintained during all periods when the taxi is being operated at or from the dock. No taxi driver shall use bad language or create a disturbance.
15. Failure of drivers to operate from the dock for three consecutive months renders this agreement invalid.
16. Drivers must hold a valid approval certificate from the Director of the Port Authority. These certificates are valid for individual calendar months and are obtainable from the Director of the Port Authority upon his satisfaction as to the observance by the driver of these terms and conditions at a charge of (I think) \$25 per month. The certificates must be attached to the windshield of the vehicle so as to be clearly visible by the Dock Security officer and each certificate must be purchased in advance of the month to which it applies.
17. These terms and conditions are subject to review from time to time by the Port Authority.
18. The Dock Security officer, the Director of the Port Authority and persons in his employment are empowered to enforce these terms and conditions and to give notice as provided in the agreement. Any dispute, difference or questions which may arise at any time hereafter between the parties hereto touching the true construction of these terms and conditions or the rights and liabilities of the parties shall be referred to the Director of the Port Authority of the Cayman Islands whose ruling shall be final and binding, pending an appeal in writing being heard by the Port Authority as a body.
19. Taxis refusing to leave with minimum passengers as listed below after waiting five minutes will have their passengers placed in another taxi and the taxi in question shall move to the end of the queue."

I would just like to mention seating capacity and the minimum number of passengers that will be allowed:

- "
- Taxis with seating capacity of:
- 5 - minimum of 3 passengers
  - 9 - minimum of 6 passengers
  - 12 - minimum of 8 passengers
  - 14 - minimum of 9 passengers
  - 25 to 30 - minimum of 12 passengers

Taxis must accept passengers regardless of destination."

It was felt necessary to include this so that the tourists or the passengers would not be kept waiting for very long periods before taxi drivers would be prepared to take them to their destination. They are the terms and conditions which now apply to taxi operators operating out of the Port Authority or the dock area, as it is more commonly known.

As mentioned, I have taken some time to provide details of the terms and conditions that apply to taxi operators working out of the Port Authority to give an indication of the

seriousness with which this matter has been considered by the Port Authority. As mentioned, I am sure that a similar arrangement is in existence at the Airport by the Civil Aviation Authority. However, these two locations serve only a few of the total number of licensed operators employed in the transportation services and to a certain extent the majority could be said to be operating without any specific guidelines or disciplinary code of operations. Despite efforts made by the Chamber of Commerce and other groups, there is unquestionably much that still needs to be done to ensure that this important service is provided by individuals who are disciplined or otherwise equipped to fill this important ambassadorial role to these Islands. For it is the drivers within the transportation industry who, for example, are usually the first to meet the tourist and other visitors to these Islands. First impressions are sometimes lasting.

Permit me to state at this point that there are many taxi drivers that are an asset to these Islands. However, unfortunately there are those that are not and the bad apples usually give the industry a bad name. Speaking of the ambassadorial role provided by those employed in the transportation industry, one remembers individuals of the blessed memory who served these Islands admirably as ambassadors for many years. Men such as Mr. Ira Thompson, Mr. Claude Hill, Mr. Jim Warren and I could name many more. So let us not forget those past and present who have done and are doing a sterling job as ambassadors within the transportation service in the Cayman Islands.

The review of the transportation services industry is therefore needed to regulate those who are not complying with standard acceptable codes of conduct. I should point out that the regulations of taxi and omnibuses, etcetera, is a matter now being considered by the Traffic Law Committee which has been appointed by my Portfolio to revise the Traffic Law and Regulations.

The licencing of taxis and omnibuses and their regulations from a disciplinary point of view falls upon the police as the Law now stands. However, it is the view of the Committee that the Department of Tourism should play the lead role in this area since the drivers of such vehicles are in an ambassadorial position as regards to visitors to the Islands. It is also the view of the Committee that a committee be set up comprising representatives of the Department of Tourism, the Civil Aviation Authority, the Port Authority and the Police Department and that this Committee be given statutory powers to grant and withdraw taxi and omnibus permits.

The police would, of course, continue to investigate the criminal record of applicants and once the Committee had decided to grant a permit, the document itself could be issued by the Motor Vehicle Department. As Honourable Members are aware, consideration is now being given to transferring vehicle registration, inspection, licencing and drivers licencing from the Police Department to the Central Funding Scheme which will form the centre of the new Motor Vehicle Department which will also have the sole responsibility for this function. So it can be seen that much effort has already been made in addressing conditions relative to transportation services in these Islands. Not only from a disciplinary point of view but also in respect of vehicle registration, inspection and licencing. Therefore, this Motion will compliment the efforts already being made to streamline the transportation services industry. This is important especially in view of the many different organisations representing various points of view. Some groups are advocating metered taxis and omnibuses while others are opposed to meters. With both sides, of course, presenting valid arguments for and against meters.

The Honourable Member for Tourism and the Third Elected Member for West Bay, who is also the Mover of the Motion now before the House, and myself met with representatives of the proponents and opponents of metered cabs and that meeting highlighted very clearly the necessity for the instituting of adequate terms and conditions to regulate the industry. To be effective, such terms and conditions will, no doubt, have to be statutory in nature.

On the question of meters, while I would agree with the mover of the Motion that there are many advantages of installing meters, I would also state that in my opinion there are disadvantages more than the one he suggested. The only disadvantage that the mover of the Motion saw was the cost of the meters. While overcharging by taxi drivers could be a problem, I would suggest that with the current congestion on our roads that meters could also prove a problem. Perhaps this problem could be remedied when we agree on a system of improvement of our roads similar to what is suggested under the Master Ground Transportation Plan. I am, however, aware that these meters can be calibrated in such a way as to record only the distances travelled. I would see this as not really fulfilling the function of the investment of US\$450 if we are going to only record distances, because there is already a mechanism in a car to record distances. So, unless it is going to also serve the dual purpose of recording the distances and the time spent, then I could hardly see the justification for such an investment.

This is a matter which cannot be decided during debate and this is the purpose why the Motion resolves for this matter to be taken to a Select Committee of the House where it can be properly addressed and all these problems can be brought to bear in the discussions.

As stated earlier, despite efforts already made to regulate taxi and omnibus drivers operating out of the airport and the Port Authority, there is still a need to regulate other groups in view of the problems within the industry generally. Accordingly, I can support this Motion which calls for a review of the conditions that exist in the Transportation services industry.

Thank you, Mr. President.

**MR. PRESIDENT:**

The Elected Member for East End.

**MR. JOHN B. McLEAN:**

Thank you, Mr. President.

I rise to offer my support for the Motion which is before us which calls for the review of transportation services within the Cayman Islands. I consider this Motion a very important

one. I would say that this matter should have been addressed for a long time now, however, better late than never. I commend the Member for having brought the matter back to the House, as he mentioned, a similar Motion was here some years ago but no firm decision was ever taken.

As I mentioned, this is a very important Motion. We are dealing with a very important sector, one dealing directly with one of the main pillars of our economy - tourism, and as the saying goes 'we must take the bull by the horns' and come to grips with this matter. I have received repeated complaints from certain hard working, upright, honest taxi drivers who depend on driving a taxi for a living. In most cases they complain of the nasty discourteous behaviour and the style of dress of many taxi drivers who presently operate a taxi. The time has come when these Islands have advanced that we should take the necessary action to have those who are involved in driving a taxi properly screened. It seems to me, anyone can have a taxi license and this cannot be right. I believe that taxi drivers should be honest, courteous and helpful. They should be good ambassadors for our Islands. As one Member has mentioned, it is the first contact that a tourist has with these Islands and it can leave a long lasting impression. Taxi drivers should know much about the rules of the road. In some cases when you stand and watch some of them on the road you wonder why they are allowed to even be there. I believe that they should be well versed in the history of these Islands. They should know the main historic sites on the Islands, they should operate a clean vehicle and one that is in good condition. I am most pleased to hear the reply which came from the Government side by the Member for Communications and Works on the various actions that have been taken. I would urge that implementation be done as soon as possible and not only that they are implemented, but that we have a constant follow-up to see that it is being carried out.

Let me say that I am not standing here to blame each and every individual who has a taxi because I know better. We have those out there who do a marvelous job in presenting themselves and with dealing with the tourists in trying to sell the Island. Indeed, we need only one to give us bad name. I am in a business that deals directly with tourists, and many times I have received complaints regarding discourteous behaviour of certain taxi drivers. In most cases it is a matter where a tourist may ask a simple question. However, I am pleased to report that in most cases upon investigation I have found that these individuals are not true-born Caymanians.

On the matter of meters, I share a similar concern as the Member for Communications and Works. I know there are certain taxi drivers who agree with this but I have also heard many who disagree. I will reserve my personal view on this because I believe it will have to be a policy matter for Executive Council. I think sooner or later a decision will have to be made one way or the other. But I am pleased to hear from the Member his views on the matter because I do share similar views. He mentioned traffic congestion and this is a serious matter that will have to be taken into consideration when a decision is going to be made on meters for taxis in these Islands.

I fully support this important Motion. I look forward to dealing with the matter when we go into Committee and I offer my full congratulations to the mover for a very good presentation. Thank you, Sir.

**MR. PRESIDENT:**

Would Members like to take a break before we go forward?  
Proceedings suspended for 15 minutes.

**PROCEEDINGS SUSPENDED AT 11:40 AM**

**PROCEEDINGS RESUMED AT 12 NOON**

*[The First Official Member in the Chair]*

**MR. PRESIDENT:**

Please be seated. Proceedings are resumed.

The debate on Private Member's Motion No. 7/90, review of the transportation services. Does any other Member wish to speak? The Member for Tourism.

**HON. W. NORMAN BODDEN:**

Mr. President, I rise to speak to Private Member's Motion No. 7/90 wherein it states that there is considered to be some dissatisfaction amongst operators employed in the transportation services and asking that a Select Committee be appointed to review the conditions that exist in the transportation service industry and report back to this House their findings and recommendations as soon as possible.

I am certain that the mover of this Motion, the Third Elected Member for West Bay, has brought this with good intentions and a genuine interest in correcting any differences and solving any problems that might exist. I assure him that Government shares equal concern for this area.

The ground transportation services provided by taxis and tour bus operators are undoubtedly an integral part of our tourism product. The continuing success of our tourism industry is based on the Cayman Islands being able to offer and provide our visitors a consistent high quality of service.

This can only be accomplished by all service oriented businesses. That is airlines, hotels, condominiums, restaurants, tour operators, taxis, duty free stores, and banks all being totally committed to providing fair value for services provided. Many tourist destinations suffer from the image of being clip joints. No one likes to be gypped. Many of our visitors, those by air and the ones who arrive by cruise ship, work hard for a living. Sometimes they wait almost a lifetime before they can afford a vacation and they do not like shoddy poor services and high rates charged. This is only natural and to be expected. However, we in the Cayman Islands can take pride in the people in the various sectors through the years. Our entire population

have worked hard and through their inbred honesty and integrity, I would term it, have helped to build our tourist industry in such a way that up to date we hold a fairly good image and reputation in the international market place. Our sales force in the North American market supply over 80 per cent of our visitors as the Mover correctly stated, they informed me that the Cayman Islands is still an easy sell. We still have a good image but naturally this will not remain by accident. We must therefore work hard to keep it that way or Cayman will definitely lose one of its main tourist attractions that we have which is the friendliness and honesty of the Caymanian people. The importance of tourism which is readily acknowledged by all who live in these Islands, and we cannot afford to ignore or neglect any area which plays a prominent role in its developing success. Of the increase in tourism, the number of taxis and tour operators has increased significantly. There have been many changes. Today we have a few remaining of the four and five passenger taxis. Most of them have been converted and changed for much larger mini-buses, I guess 16 passenger up to 21 and perhaps more. So there have been many changes through the years due to the increase in tourism.

I believe as the Mover said, that all should share equally. The formula by which this is achieved is not simple nor easy and it is not a magic formula. However, I agree wholeheartedly that a review should be carried out and if this is not resolved to the satisfaction of all concerned, the many problems and differences, then at least I believe that some semblance of a more organised and improved system could be developed.

Through the years there have been numerous attempts to implement, to make changes which would improve the situation that we are debating here today. But I must say that many of the efforts that have been made by past Members have not met with the success that was anticipated. Nevertheless, this is no indication what so ever that we must not move forward and try to effect whatever improvements that we can. There are many different views on the solutions of how they should be implemented, but if the Select Committee can help. It will be at least one step closer to achieving the quality of operation that we all desire. I am all for the establishment of such a committee, I look forward to working in the Committee with all other honourable Members where, as I have said, hopefully practical and sensible rules and regulations can be further developed and improved upon. Even more importantly to have those rules and regulations effectively applied to all concerned.

The Mover, in his presentation referred to a Motion that was brought in 1986 as regards to growing unrest caused by an unfair split of business between the taxi and other operators. I believe that there is some dissatisfaction there, but I think that the Government, in its attempts, must recognise that we do operate under the free enterprise system and we must be careful that in our genuine efforts and attempts, that we do not set precedents or become accused of protectionism.

The Mover also mentioned that the situation is somewhat aggravated by Government continuing to issue new taxi licenses which is causing great concern. I agree with that. I believe that today, in Cayman, a taxi license is far too easy to obtain and difficult to lose. I believe that in the new Traffic Law that will be brought to this House sometime in the near future, that this situation will be corrected. One of the sources of discontent that I have heard mentioned and was put forward by the Member for East End is that quite often in discussing the taxi situation in this country there is always the allegation that our taxi business is dominated by non-Caymanians or by persons who are not considered as indigenous Caymanians but are rather holders of Caymanian Status. This situation, no doubt, causes some degree of dissatisfaction. I, like other speakers, believe that our taxi drivers, by far the majority of them, I think the Mover said 95 per cent, I would believe it is that percentage or even higher that the majority of our taxi drivers are good ambassadors for our country. I believe that they are honest, hard working people who are only out there trying to make an honest living. We also have a few and from a tourism point of view, I am happy that they are in the minority, but one bad apple spoils the whole barrel. Many times the handful of taxi drivers who may not be as courteous in conducting themselves in a way that is an asset to our county, it is not very easy to identify and discipline them.

The suggestion was made that the Government should consider placing a moratorium on the issuance of new licenses for a specific period of time. This, undoubtedly is an area that the Committee can deal with and perhaps has considerate merits

Mention was also made regarding the distinction that should be made between a taxi, a tour operator and a bus that might be involved mostly in public transport. It is difficult to categorise the different types of ground transportation but nevertheless I believe that we should look at this as well. There are models of rules and regulations for taxi associations from other tourist destinations that we can use in our deliberations in the Committee which I think might be useful and I will certainly be pleased to make what I have available.

In speaking awhile ago about the small number of taxi drivers who may not be courteous and may not have the interests of protecting our tourism industry and the image of the Cayman Islands (which the majority of taxi drivers do), I can make the point here that from a tourism point of view, I have received in the last two or three years few complaints. Most of the complaints have been due to overcharging. We are able to identify the individuals involved, along with the help of the Honourable Member for Communications and Works, we dealt with them individually. But there have been few as I have said earlier.

The suggestion of introducing meters into certain cabs. I believe that that suggestion, like many others made in a small community, have always those for and against. Undoubtedly there are advantages of having meters installed. There are also some disadvantages. These have been pointed out by the honourable Member for Communications and Works. I know that one taxi association has made the decision to have meters installed in the cabs operated by their members. I think that this is a matter for them to decide on. I have no problem with it, providing that the rates that are applied does not exceed the existing published rates at the present time.

Regarding the discussion of whether to install meters or not, I

have in my possession a copy of a letter dated the 27th of February which was signed by 38 taxi drivers. This letter was addressed to the honourable Member for Communications, Works and Natural Resources and it was copied to me because in this area our Portfolios overlap to some extent, because of his responsibility for ground transportation and mine for tourism. As I said the ground transportation is an integral part of our tourism product. But the letter to the honourable Member reads as follows:

"We the undersigned taxi and bus operators of the Cayman Islands understand that it is Governments' intention to make legislation for the compulsory installation of meters in all taxi cabs. We also understand, from the promoters of the meter system, that unless the taxi has a meter the police will not issue or renew a taxi license.

We wish to protest against the compulsory metering of taxi cabs as under;

- (a) Meters will serve to put extra expense on us which we cannot afford.
- (b) With the taxi system here each driver owning his or her own taxi, the meter system is not practical.
- (c) There has not been sufficient proven cases of overcharge to warrant such action. The general conduct of some taxi drivers and their approach to tourism is more important at this point in time than meters.

If Government is supporting the meter system, they should make every effort to satisfy themselves that it is controlled by properly organised and functioning taxi association or accompany a certified technician and spare parts must be available at all times.

In closing we wish to bring to your attention one fact, that the meter is a device to measure time and rates and it was invented and intended for the cabs of big taxi companies for the purpose of stopping the drivers from stealing the company's money. We own our individual taxis'."

This is just one representation that has been made and I must say that in the first paragraph of this letter, that the taxi drivers who signed this have been obviously misinformed because to the best of my knowledge it is not the intention of the Government nor is the Mover asking in his Motion that the installation of meters be compulsory. I am sure that this is not the case. While this is an item that will undoubtedly be taken into consideration by the Select Committee, it is not Government's nor anyone's decision at this time to make the installation of meters compulsory.

I will only speak briefly now on the situation as regards to the dispatch of the taxi service from Owen Roberts International Airport. The system has been put in place many, many years ago. In fact, I came to the Portfolio and found the system there. I think that it is a system that works very well. It is not perfect. It has its problems but I think today it provides a good service to our incoming passengers which I see as being the responsibility of the Civil Aviation Authority to ensure that we provide a good service at Owen Roberts Airport and not to have our incoming passengers standing around waiting for hours before they can get transportation out. We have to concentrate on service.

We recently instituted a ticket system there which I think has been a great improvement. It sets out the date and the destination and the amount of fare to be charged. This is handled by a taxi dispatcher who, in fact, is one of our security officers and they handle this on a rotation basis and are employees of the Civil Aviation Authority.

There are claims that the tour operators are taking all of the business from the taxi operators. We keep a record of the statistics of the number of persons who are taken from Owen Roberts Airport by taxi and those by tour operators and I would say there is a fair balance in there. Some of the difficulties arise because most of our passengers whether they arrive by air or by cruise ship, arrive here on a prepaid package. A package that is sold by retail travel agents at their point of origin and most of the times those often include transportation to and from the airport or to and from the dock, or a tour of the Island. So this, many times, precludes some of the taxi drivers from participating in such a scheme.

Perhaps this is something that an association, if there was not an association which embodied all taxi drivers, I think that this part could be handled more effectively. I know that one problem which arising at Owen Roberts Airport is that some taxi drivers (in taking passengers who have arrived with a prepaid tour), many times have difficulties cashing in the vouchers that they have accepted. Some taxi drivers, because of the difficulty experienced, will not accept vouchers and many times this has caused an embarrassment to our tourist arriving here. We have a serious view of this and taken the necessary steps to correct it because it is not all tour operators who can pay cash. Some of them give a voucher that has to be cashed in afterwards. The situation at the dock was very ably addressed by the honourable Member for Communications and Works. The rules and regulations which he read out are, almost identical to those that we have in place at Owen Roberts Airport. The persons who dispatch at Owen Roberts Airport or the Port Authority are doing a fairly good job under the circumstances. I have taken note regarding the signs that can be erected publishing the rates and I believe that the new tourism office that is being built there at the Port at the present time will enable us to operate in a more organised fashion. So from a tourism point of view, from a dispatch point of view, I believe that certain improvements will be implemented very shortly and the Department of Tourism and the Director of the Port are working very closely together to accomplish this.

As I said, it is a complex situation. There are no easy or simple solutions but once again I would like to congratulate the Member on bringing this Motion and to say in conclusion that the Government fully supports this and we look forward to working together in the Select Committee on this matter.

Thank you, Sir.

**MR. PRESIDENT:**  
Member for George Town.

Does any other Member wish to speak? The Third Elected

**MR. TRUMAN M. BODDEN:**

Mr. President, I support this Motion and I would like to commend the Mover, the Third Elected Member for West Bay, and the Seconder, the Second Elected Member for the Lessor Islands, on bringing this Motion.

The transport services in Cayman comprises a large and important part of the business sector. In many instances they are the first people that tourist meet when they come to the Islands and the importance of first impressions is something that cannot be over emphasised. I believe that the vast majority of taxi and bus drivers are very good ambassadors and that they promote the Islands. They are out there, like everyone else, to make a living.

It seems to me that the Government has not been able to come to grips with the complex problems surrounding the transportation services and I am happy that the Government supports this Motion and we will be going into a Select Committee to deal with it.

I will be listening carefully and with an open mind to the views of the Government and the taxi/bus operators. Hopefully, we will be able to solve some of the complex problems which exist. I commend the Mover and the Seconder and I look forward to working with this honourable House and the taxi and bus drivers and operators in dealing with these problems.

**MR. PRESIDENT:**

Does any other Member wish to speak? Would the Mover wish to exercise his right of reply? The Third Elected Member for West Bay.

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

Thank you, Mr. President.

I would like to say thanks to all Members who spoke in support of this very important Motion. I am pleased that the Government has seen fit to accept this.

I would just like to make a few comments with regard to some of the things which were put forward by the honourable Member for Communications and Works. He mentioned that at the dock they are implementing some rules and one of the rules that I made note of was that taxis were not allowed to pick up passengers at any point other than the queue area. This has always been a problem and I can assure the Member that unless he has the proper assistance from the police, this will be very difficult indeed. I know many times, when we were there trying to operate those reputable and responsible operators got in line and waited their turn, while others just drove back and forth, honking horns and inviting passengers to ride with them so they could get a jump on the competition. We called the police a number of times and the main excuse that we got was that they were also understaffed and it would be very difficult to assist us. When ever there were police in the area I can assure you that they basically all complied with the rules.

I would also like for him to reconsider the minimum passengers after a five-minute wait that these operators were going to be forced to move out with. I think some consideration should be given between the time allowed for small operators, that is the small cabs--the three- and five-seaters, because at the dock the queuing system is separated between small operators and mini buses and larger buses. The number of small cabs are very limited, indeed. You probably have three or four which means that they can leave in a very short period of time after getting one, two or three passengers because they can get back and get in line and they do not have to wait a long time before they get another trip.

But from experience after queuing up from 6:30 a.m. and not getting your turn until mid-day, sometimes, and you are driving a 14 seater or 25 seater, to say that you have to leave after you have a minimum of nine people in the case of a 14 seater and five minutes after you have 12 passengers in the case of a 25 seater, I think this is a little unreasonable because even in the tour buses passengers have to sit there and they do not move off until they are completely filled, in most cases. In the case of the 14 seater if he has to leave after he has a minimum of 9 passengers, that means if he is going to the beach he has made \$18 because it is \$2 per person. And, as I said, after sitting in line for many hours at a time I think that is a little unreasonable. I would suggest that maybe the waiting time for them may be moved up to 15 minutes after which they have their minimum load that they are required to move off.

I am also pleased that there are other measures being taken to instill some disciplinary measures in the service. I think that is good, but we also have to think in terms of how we can assist our taxi drivers in a very positive manner by doing things that are going to increase the amount of business thrown in their direction. I think there must be a balance between the two. They can be charged \$25 per month for the privilege of operating out of the Port and \$30 at the Airport and if they do not like it that is tough. We have to balance it by saying that these Members are hard working individuals and we must see what we can do by providing measures where they can benefit from more fares or having a larger percentage of the business.

I look forward to dealing with this issue in the Select Committee. At that stage the different representatives in the service can come forward and give their views. We, as a Committee, would then take into consideration all those views and come up with favourable conditions that are in the best interests of all parties concerned.

Again I say thank you.



**MR. PRESIDENT:** I shall now put the question on the Motion.  
Those in favour please Aye...Those against No.

**AYES.**

**MR. PRESIDENT:** The Ayes have it. The motion has accordingly passed.

**AGREED: PRIVATE MEMBER'S MOTION No. 7/90 PASSED.**

**MR. PRESIDENT:** We shall now turn to Item 2 on the Order Paper, Presentation of Papers and Reports. The Second Official Member.

## **PRESENTATION OF PAPERS AND OF REPORTS**

### **SUSPENSION OF STANDING ORDER**

**HON. ANTHONY SMELLIE:** Thank you, Mr. President.  
In relation to Item number 2 on Today's Order Paper I have been asked by the Chairman of the Standing Finance Committee to tender the Report of the meeting of Wednesday the 7th of March, 1990.

In order to do so I move a suspension of Standing Order 72(5) to enable the tabling of the Report without the Minutes attached.

**MR. PRESIDENT:** I will put the Motion to allow the Report to be tabled without the minutes as agreed yesterday.

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

**AYES.**

**MR. PRESIDENT:** Standing Order is accordingly suspended.

**AGREED: STANDING ORDER 72(5) SUSPENDED.**

### **REPORT OF THE STANDING FINANCE COMMITTEE (Meeting held 7th March, 1990)**

**HON. ANTHONY SMELLIE:** I now tender the Report, Mr. President.  
At that meeting the Committee met to consider certain supplementary expenditure. The following supplementary expenditure was approved.

1.	Head 04 - Finance and development	\$471,106.00
2.	Head 06 - Customs	33,124.00
3.	Head 11 - Statistics	58,100.00
4.	Head 15 - Internal and External affairs	8,310.00
5.	Head 18 - Police	22,000.00
6.	Head 27 - Education	187,077.00
7.	Head 29 - Medical Health Services	295,500.00
8.	Head 37 - Public Works Department	454,191.00
9.	Head 26 - Administration - Education, Recreation & Culture (Being the agreed amount for payment to Mr. Cleveland Dilbert for Caymanian style house for the National Trust.)	18,750.00
10.	Head 04 - Finance and Development (Disaster Preparedness)	960.00
11.	Head 27 - Administration - Education, Recreation and Culture	22,000.00
		CIS\$1,571,118.00
		=====

Other matters were considered as regards to variation of funds:

**Head 21: District Administration:**

It was decided to vire \$120,000 from the Cayman Brac allocation to Mechanical-Heavy Equipment to purchase one 16 cubic yard truck and one vibratory roller, each costing \$60,000, and

**Head 28: Health and Social Services:**

Health and Social Services to vire funds under Medical cases to support grants, \$16,000 to be granted to the CASA and \$40,000 to be used for the Church Youth Worker programme.

The Honourable Member in response to the rider attached to the approval of funds of \$450,000 which was approved at the meeting of the Committee held on the 20th of December, 1989, those riders having been met, the following was approved by a majority.

- (1) To continue the interim projects which are carried forward from 1989 for the physical improvements to the site \$48,000.00
- (2) To incur expenditure of CI\$39,500, plus expenses, to design the expansions as approved by Government Motion No. 2/90.
- (3) To incur expenditure of CI\$38,500, plus expenses, for the Master Plan of the Faith Hospital an additional 12 beds. (on the condition that competitive bids are received by the Department Tenders Committee)
- (4) To incur expenditure for the design work for the X-ray and Laboratory Departments billed at CI\$105 per hour not to exceed CI\$3,000 including expenses (on the condition that competitive bids are received by the Departmental Tenders Committee).

Those were the items of expenditure approved by the Committee.

Thank you, Mr. President.

**MR. PRESIDENT:**

your agreement I will have the Clerk correct them.  
Official Member to move the adjournment.

So ordered.

I have noticed one or two little typo's in the Report and with

The business of the House being finished, may I ask the Second

### ADJOURNMENT

**HON. ANTHONY SMELLIE:**

House until Monday, the 11th of June, 1990.

Mr. President, I rise to move the adjournment of this Honourable

**MR. PRESIDENT:**

who is unavailable at the moment to read a few remarks which he left with me and it begins:

Before I put it to the vote, I have been asked by the President

### PRESIDING OFFICER'S REMARKS

"Speaking, I trust, on behalf of all Honourable Members I should like to express customary gratitude to the Clerk, the Deputy Clerk, the Serjent-at-Arms, and all the staff of the Assembly for their efficient and prompt attention to the requirements of the House. We could not function without them and they share very capably the burden of our responsibilities.

To Honourable Members I express my thanks for their courtesy. In particular, a very recent expression of it.

Next month a CPA seminar on Parliamentary Procedure and Practice will be held under the auspices of the Cayman Islands Branch. This is an excellent initiative and I hope that we shall find it stimulating and informative."

I will now put the question of the adjournment. Those in favour

please say Aye...Those against No.

**AYES.**

**MR. PRESIDENT:**

10 o'clock.

The Ayes have it.

The House is accordingly adjourned until tomorrow morning at

**AT 12:49 PM THE HOUSE STOOD ADJOURNED UNTIL 10 O'CLOCK, MONDAY, 11TH JUNE, 1990.**

**EDITED  
MONDAY  
11 JUNE 1990  
10:28 A.M.**

**MR. PRESIDENT:**

I will ask the First Elected Member for West Bay to say prayers.

**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.

**ADMINISTRATION OF OATHS OR AFFIRMATIONS**

**MR. PRESIDENT:**

The Legislative Assembly is in Session.

The first item on today's Order Paper is the Administration of Oaths or Affirmations. Before Mr. Anthony Smellie gives his oath, I would like to explain briefly his appointment.

The Attorney General is involved in judicial proceedings of extreme importance and is not able to be present, this may go on for several days. Under the Constitution, section 22(1), a public officer may be appointed to fill the temporary vacancy of any Official Member, such as the Attorney General, until such period as that Member can resume his seat. It appears to me to be important that we should have the benefit of legal advice, particularly during the forthcoming proceedings of the House, and I have, therefore, appointed Mr. Anthony Smellie to be, temporarily, an Official Member of the Assembly until the Attorney General can resume his seat.

Oaths. Clerk.

Would Members of the House please stand?

**OATH OF ALLEGIANCE  
ANTHONY STAFFORD SMELLIE, DEPUTY ATTORNEY GENERAL**

**HON. ANTHONY S. SMELLIE:**

I, Anthony Stafford Smellie, do swear that I will be faithful and bear true allegiance to Her Majesty, Queen Elizabeth II her heirs and successors according to Law. So help me God.

**MR. PRESIDENT:**

Oaths, the Second Elected Member for Bodden Town.

**OATH OF ALLEGIANCE  
MR. GEORGE HAIG BODDEN  
SECOND ELECTED MEMBER FOR BODDEN TOWN**

**MR. G. HAIG BODDEN:**

I, George Haig Bodden, do swear that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth the Second, her heirs and successors according to Law. So help me God.

**MR. PRESIDENT:**

Please be seated.

welcome Mr. Haig Bodden back.

I would like to take this opportunity on behalf of the House to

No. 61, the First Elected Member for Bodden Town.

We now proceed to Questions, item 3 on our Agenda. Question

## QUESTIONS TO HONOURABLE MEMBERS

### THE FIRST ELECTED MEMBER FOR BODDEN TOWN TO ASK THE HONOURABLE ELECTED MEMBER RESPONSIBLE FOR EDUCATION, ENVIRONMENT, RECREATION AND CULTURE

**NO. 61:** Can the Honourable Member say what progress to date has been made on the acquisition of the proposed adjoining lot to the Breaker's playfield?

**ANSWER:** The Lands and Survey Department was authorised by the Portfolio of Communication, Works and Agriculture to pursue the purchase of this property.

An offer has been made to the owners (who reside in Canada) through their local agent.

Once a reply has been received indicating that the offer is acceptable, the purchase will be finalised.

### SUPPLEMENTARIES

**MR. PRESIDENT:** Supplementaries.

**MR. ROY BODDEN:** Is the Honourable Member in a position to say when the offer was tendered?

**HON. BENSON O. EBANKS:** Subject to correction, Mr. President, I believe that the letter was actually posted on the 6th of June.

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

**MR. G. HAIG BODDEN:** Mr. President, may I ask the Member why the letter had been delayed until the 6th of June, since it is my understanding that this matter had been approved six months ago by the Standing Finance Committee?

**HON. BENSON O. EBANKS:** Mr. Chairman, the land is owned, as I said, by a resident of Canada. The information on the Register of the Lands and Survey Department is incomplete as far as an address is concerned. The last resort that the Portfolio employed was to go to enquire from persons resident in the district. It was found that one of the persons there represented the owner and was able to give the Portfolio the full address.

Now the other thing that has to be borne in mind is that this Government has adopted a system that when it purchases land it is done through what is known as the Land Purchasing Committee, including the Government Land Valuator at the Lands Department so that is an exercise that does delay this process as well. But I believe that it ensures the public that their money is well spent and they are getting value for money.

**MR. G. HAIG BODDEN:** Mr. President, may I ask the Member if the letter of the 6th of June had been sent after the Parliamentary Question had been tabled by the First Elected Member for Bodden Town?

**HON. BENSON O. EBANKS:** Mr. President, to the best of my knowledge, I do not believe we knew that there were any questions until about three or four days ago. I think it was Thursday or Friday; one of those days before we knew there were any Parliamentary Questions, much less this one.

**MR. G. HAIG BODDEN:** Mr. President, may I ask that since questions have to be tabled five days before, I think it is five working days, how it is that the Member was not aware that this question had been in? His letter is written on the 6th, and today is the 11th.

**HON. BENSON O. EBANKS:** Mr. President, that is a question to the Presiding Officer, I am afraid, or the Clerk, whoever sends out the questions to the Portfolio.

**MR. PRESIDENT:** It is not appropriate for the President or the Clerk to answer questions, but I suggest that we get the information, as a matter of fact, from the Clerk.  
Supplementaries, continuing.

**MR. ROY BODDEN:** Mr. President, may I ask the Honourable Member how the letter was sent? Was it by ordinary air mail, by courier, by registered mail or by telefax?

**HON. BENSON O. EBANKS:** My information, Mr. President, is that it was sent by registered air mail.

**MR. ROY BODDEN:** Is the Member in a position to say when he is expecting a reply?

**HON. BENSON O. EBANKS:**  
Sir.

Mr. President, I have not reached that stage of perfection yet,

**MR. PRESIDENT:**  
Member for Bodden Town.

Perhaps we could go to question No. 62, the First Elected

**THE FIRST ELECTED MEMBER FOR BODDEN TOWN TO ASK THE HONOURABLE ELECTED MEMBER RESPONSIBLE FOR EDUCATION ENVIRONMENT, RECREATION AND CULTURE**

**NO. 62:** Can the Honourable Member say whether there are any fourth year students at the Cayman Islands High School missing classes as a result of "Career Awareness" trips?

**ANSWER:** Yes. A series of visits to business places have been implemented for fourth year students by the Careers Department at the Cayman Islands High School and with the cooperation of the Chamber of Commerce during the summer term. They follow a pilot scheme tried last year.

The success of last year's scheme led to the repetition of the programme. It is thought to bring balance and awareness to students' experience and to play a vital part in integrating the school with the community and the prospective employers.

The visits are staggered so that the same subject is not missed on more than one occasion.

**SUPPLEMENTARIES**

**MR. PRESIDENT:** Supplementaries.

**MR. ROY BODDEN:** Can the Member say what these subjects are that were missed?

**HON. BENSON O. EBANKS:** Yes, Mr. President, English and Mathematics.

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

**MR. G. HAIG BODDEN:** Mr. President, may I ask the Member if any of these classes are missed around the time of their examinations?

**HON. BENSON O. EBANKS:** Yes, Mr. President, his informant was very thorough. I said it was during the summer term, so there will be terminal examinations. But I would point out to the Member, that these are not final school leaving examinations at this time.

**MR. ROY BODDEN:** May I ask the Honourable Member why this schedule was not arranged so that students could avoid missing important classes like English and Mathematics during exam time?

**HON. BENSON O. EBANKS:** Mr. President, that is a matter that I would have to research. I made it quite clear that it was arranged between the school and the Chamber of Commerce. I knew about it. I okayed it, but as to why it had to be arranged at this time, I am not sure. I believe it had a lot to do with when the businesses could take the students because we do have to depend on the cooperation of the various businesses that the children visit.

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

**MR. TRUMAN M. BODDEN:** Mr. President, I would like to ask the Member how many classes have been missed?

**HON. BENSON O. EBANKS:** You mean the total number of lessons per student? Eight.

**MR. ROY BODDEN:** Mr. President, I would like to ask the Member what is the total number of students missing these classes?

**HON. BENSON O. EBANKS:** Approximately 90, Mr. President.

**MR. ROY BODDEN:** Mr. President, I would like to ask the Member for his assurance, and for the information which I asked in the previous question, and I want to ask him now if he is satisfied that this programme is worth 90 students missing these 720 classes for career awareness?

**HON. BENSON O. EBANKS:** Mr. President, I do not believe that the Member should try to confuse the issue by multiplying the total number of classes missed by the number of students who miss them. There are 90 students who missed the classes, and I made it clear that they missed a total of eight lessons in that period. For the information of the Member, there is no doubt in my mind that these visits are beneficial. As to whether they can be rearranged so as to be accommodated during lunch time or after school, it is a matter which I

intend to look into. I gave the young lady who gave him the information that assurance.

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

**MR. TRUMAN M. BODDEN:** Mr. President, I would ask that when he is looking into this matter that he tries to shift the subjects from English and Maths, which appear to be two of the most important basic subjects in school.

**HON. BENSON O. EBANKS:** Mr. President, I intend to look into it thoroughly, but as I said earlier, we are at the mercy of the firms that take these children. We have to work with them and the time tabling might just coincide. I do not believe that missing eight lessons out of five years of schooling, being in Mathematics and English, should really impair anyone too much. But what I am saying is that I am prepared to see if we can improve it.

**MR. ROY BODDEN:** Mr. President, I would like to ask the Member exactly what time limit has passed since this programme has been instituted?

**HON. BENSON O. EBANKS:** The programme covers the period May to July, 1990.

**MR. ROY BODDEN:** When was the programme initiated, Sir?

**HON. BENSON O. EBANKS:** The programme covers a period, Mr. President, May to July, 1990.

**MR. ROY BODDEN:** What year was the programme initiated, Sir?

**HON. BENSON O. EBANKS:** I said in the substantive answer, last year.

**MR. PRESIDENT:** We move to the next question. No. 63, the First Elected Member for Bodden Town.

**MR. ROY BODDEN:** Mr. President, before I ask this question, I would like to clarify the Member's assumption that I was given this information by a young lady. I do not know what he is talking about, Sir.

Now my question reads:

**THE FIRST ELECTED MEMBER FOR BODDEN TOWN TO ASK THE HONOURABLE ELECTED MEMBER RESPONSIBLE FOR EDUCATION ENVIRONMENT, RECREATION AND CULTURE**

**NO. 63:** Can the Honourable Member say whether there are any plans for "Community Service" as a mandatory exercise for sixth form students?

**ANSWER:** No plans have been made for Cayman Islands High School sixth form students to do Community Service. It has been suggested that this might be a good use of some free time in the school day for sixth form students who are only carrying only two 'A' levels. No consideration has yet been given to the suggestion but a detailed proposal has been requested from the school.

**SUPPLEMENTARIES**

**MR. PRESIDENT:** Supplementaries.

**MR. ROY BODDEN:** Does this consideration arise from the fact that these students are not suitably timetabled for preparation work during ordinary classes?

**HON. BENSON O. EBANKS:** Not to my knowledge, Mr. President. I said, it is good use of school time for students who have two subjects in 'A' level work only. The initial proposal suggests that the students could gain experience and maturity and become more aware of their responsibilities as a good citizen. Also, colleges look favourably on applicants who have a curriculum vitae which shows community awareness as an achievement. This could have the potential to be a valuable service to the community, as well as to enhance the education of any student who might be involved in such a scheme.

**MR. ROY BODDEN:** May I ask, Mr. President, if the students have been pooled for their opinion on this service?

**HON. BENSON O. EBANKS:** Mr. President, I cannot answer that. In the substantive question I said a detailed proposal has been requested. When I get that I will know whether the students have been pooled or not.

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

**MR. G. HAIG BODDEN:** Thank you, Mr. President. May I ask the Member if the type of community service mentioned here is the same type of service that a Court would order for a convicted person?

**HON. BENSON O. EBANKS:** Mr. President, I am afraid that would call for a hypothetical answer. I can answer the question but I would prefer not to because what I have to say might not please some people.

**MR. G. HAIG BODDEN:** Mr. President, can I ask the Member if he will answer yes or no?

**MR. PRESIDENT:** I think it does verge on the hypothetical because unless you know what sort of judicial community service orders, what they involve are in question. I do not quite see how the Member can reply. You cannot compare one with the other unless he knows both.

**MR. G. HAIG BODDEN:** Mr. President, our Laws make provisions for community services to be set by the Court in the case of conviction for certain offences. I am only asking the Member if the community services in this question would be similar?

**HON. BENSON O. EBANKS:** Mr. President, I am very well aware of the provisions in the Law because I put them in the Law. But, what we have not done is to tell the Courts what type of sentence to pass. So what I am saying is, for me to answer this question intelligently, I would have to know what type of sentences the Courts have been passing. But for the information of the Member I will assure him that it will not be cutting swamp land as the Social Services Department has recommended for community service.

**MR. ROY BODDEN:** May I ask the Member, Mr. President, how many students will be affected if this programme is put into place?

**HON. BENSON O. EBANKS:** Mr. President, that awaits the detailed proposal. I have no idea. I have no specific figure but it could not be a lot of people because this is sixth form students and those who are taking two subjects only.

**MR. PRESIDENT:** There appear to be no further supplementaries.  
Question No. 64 please, the Second Elected Member for Bodden Town.

**THE SECOND ELECTED MEMBER FOR BODDEN TOWN TO ASK THE HONOURABLE ELECTED MEMBER RESPONSIBLE FOR TOURISM AVIATION AND TRADE**

**NO. 64:** Would the Honourable Member say what is Cayman Airways Limited's operating profit or loss since the introduction of its new 737 jet service?

**ANSWER:** During the period 1st of September, 1989, to the 31st of March, 1990, the Company's unaudited net profit was CI\$5,222,289.00. However, the Company during the same period experienced an operating loss of CI\$2,250,849.00.

It must be noted, however, that this specific period referred to is not only related to the introduction of Cayman Airways new Boeing 737 jets, but also to the introduction of increased competition from major United States airlines which occurred around the same time.

**SUPPLEMENTARIES**

**MR. PRESIDENT:** Supplementaries.

**MR. G. HAIG BODDEN:** Mr. President, may I ask the Member if the time referred to here, that is, the introduction of the new jet services, is also the tourist season and the time when the airline's revenues would be at their peak?

**HON. W. NORMAN BODDEN:** Part of that period of time, Mr. President, relates to the peak period and part relates to the off-peak period because the period covers from September through March. September, October and November are off peak whereas, December through March would be peak periods.

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

**MR. TRUMAN M. BODDEN:** Mr. President, to the Member. Does this unaudited net profit take into consideration the US\$12.3 or US\$12.5 million that the company received from the sale of the 727-200 jets?

**HON. W. NORMAN BODDEN:** Yes, Mr. President, this figure includes that and this is why the company is able to show a net profit which is due to the proceeds from the sale of the lease of the 727-200 jets.

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

**MR. G. HAIG BODDEN:** Mr. President, I want to ask if it is correct that out of the \$12 million plus, received from the sale of the lease on the jets, only \$5 million is left? Is that figure less or more than \$5 million?

**HON. W. NORMAN BODDEN:** I am unable to confirm the exact figure, Mr. President. I do not think that the \$5.2 million I referred to really would indicate what is left of the \$12 million. I can only say this, that the \$12 million is represented in some operating loss, some capital investment and some remain in the bank as a fixed deposit.

**MR. TRUMAN M. BODDEN:** Does the \$5.2 million that you refer to, also include the subsidy that has been given by Government?

**HON. W. NORMAN BODDEN:** I believe it would include the subsidy, Mr. President.

**MR. PRESIDENT:** The Second Elected Member for Cayman Brac and Little Cayman.

**MR. GILBERT A. McLEAN:** Mr. President, could the Member confirm that if it was not for the monies received from the sale of the 727 jets, that the operation of the 737 jets, might prove that there was only losses to Cayman Airways if it were not for that amount received from the sale?

**HON. W. NORMAN BODDEN:** The company would not be able to show the profit that I referred to. I did go on to say that the company has experienced an operating loss for that period.

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

**MR. TRUMAN M. BODDEN:** Mr. President, if the Member has these figures, can he just say how much of the \$12.2 million from the sale of the jets and the C\$1 million that was subsidy by Government would remain in cash?

**HON. W. NORMAN BODDEN:** I do not have the exact figure, Mr. President, but I think that the breakdown would be around \$3 million in cash, and the rest invested in capital investment, that is, for spares and other items needed for the 737s' operation.

#### SUSPENSION OF STANDING ORDER 23(7) AND (8)

**MR. PRESIDENT:** The Honourable the First Official Member.

**HON. THOMAS C. JEFFERSON:** In accordance with Standing Order 83, I move the suspension of Standing Order 23(7) and (8), in order for the questions to be taken, as we started late.

**QUESTION PUT: AGREED. STANDING ORDER 23(7) & (8) SUSPENDED.**

**MR. PRESIDENT:** Question No. 65, please, the Second Elected Member for Bodden Town.

**THE SECOND ELECTED MEMBER FOR BODDEN TOWN TO ASK THE HONOURABLE FIRST OFFICIAL MEMBER RESPONSIBLE FOR FINANCE AND DEVELOPMENT**

**NO. 65:** Would the Honourable Member say:-

- (a) What was Government's surplus revenue at the end of May, 1990? and
- (b) What was Government's reserve at the end of May, 1990?

**ANSWER:** Mr. President, the answer.

- (a) Government's surplus revenue at the end of May 1990, was approximately \$15,791,000.00; and
- (b) The General Reserve at the end of May 1990, was approximately \$18,860,000.00.

#### SUPPLEMENTARIES

**MR. PRESIDENT:** There appears to be no supplementaries. The Third Elected Member for George Town.



**MR. TRUMAN M. BODDEN:** Mr. President, to the Honourable Member. Would he say how much of the surplus revenue, if he has the figures, has accumulated since the 1st of January to the end of May this year?

**HON. THOMAS C. JEFFERSON:** Mr. President, the figures appear that approximately \$5 million had been accumulated in the surplus since January of this year.

**MR. PRESIDENT:** Question No. 66, the Second Elected Member for Bodden Town.

**THE SECOND ELECTED MEMBER FOR BODDEN TOWN TO ASK THE HONOURABLE ELECTED MEMBER RESPONSIBLE FOR EDUCATION, ENVIRONMENT, RECREATION AND CULTURE**

**NO. 66:** Can the Honourable Member say how many Government scholarships have been granted to students in the Bodden Town district since 1988?

**ANSWER:** Mr. President, in giving this answer I assume that the Member is referring to scholarships granted by the Education Council.

Since 1988, only one applicant from the Bodden Town area has been found eligible for consideration for a scholarship. As a result of the initial review of this application, Education Council requested the candidate, who was already enrolled in at an institution of higher education, to provide his transcripts for one year. Consideration of his application was to be dependent on his grade point average over the period, provided he had taken not less than 12 credits per semester. To date this information has not been forthcoming from the candidate.

**SUPPLEMENTARIES**

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

**MR. ROY BODDEN:** Mr. President, I am asking the Member what is the total number of applications received from Bodden Town students during this time?

**HON. BENSON O. EBANKS:** Mr. President, I do not have that information, but I know that there was another one that fell in the same category almost.

**MR. PRESIDENT:** Question No. 67, please, the First Elected Member for West Bay.

**THE FIRST ELECTED MEMBER FOR WEST BAY TO ASK THE HONOURABLE ELECTED MEMBER RESPONSIBLE FOR HEALTH AND SOCIAL SERVICES**

**NO. 67:** Can the Honourable Member say what is the amount of revenue collected at the George Town Hospital since the increase of fees?

**ANSWER:** The amount of revenue collected at the George Town Hospital since the 1st of June, 1990, until 7th of June, 1990, was \$22,636.55.

**SUPPLEMENTARIES**

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

**MR. TRUMAN M. BODDEN:** Mr. President, if the Member can say this. Could you tell me whether there have been improvements in the physical facilities equal to the percentage rise in fees?

**MR. PRESIDENT:** I think that is going somewhat outside the original question.  
First Elected Member for Bodden Town.

**MR. ROY BODDEN:** Mr. President, I am asking the Member, what percentage of revenue does this \$22,000 represent in relation to services built for during this time period, Sir?

**HON. D. EZZARD MILLER:** Mr. President, I have not worked out the actual percentage, but the amount of outstanding fees for that period is \$3,951 out of the \$22,636.55.

**MR. PRESIDENT:** The First Elected Member for West Bay.

**THE FIRST ELECTED MEMBER FOR WEST BAY TO ASK THE HONOURABLE ELECTED MEMBER RESPONSIBLE FOR EDUCATION, ENVIRONMENT, RECREATION AND CULTURE**

**NO. 68:** Can the Honourable Member say what is the Government's policy on shoreline dredging?

**ANSWER:** At the present time Government has no established policy regarding shoreline dredging.

### SUPPLEMENTARIES

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

**MR. G. HAIG BODDEN:** Mr. President, may I ask the Member with the absence of a policy, how does he arrive at recommendations as to whether a particular application is approved or not?

**HON. BENSON O. EBANKS:** Mr. President, the procedure at the moment is that the application first goes to the Central Planning Board, since shore-line dredging includes other work that requires planning permission. The Planning Department does research. The Natural Resources Laboratory at the M.R.C.U., until June 1, carries out studies and there is also in existence, a Coastal Works Advisory Committee which includes a member of the Natural Resources Laboratory and persons with experience in dredging and engineering. If a favourable decision is recommended to Executive Council who grants the permit for dredging, then Executive Council will grant it. But, it should be said that for over one year Government has been negotiating with what it considers one of the best qualified and able environmental consultants company, CH2M Hill, to conduct a study around the Cayman Islands concerning dredging and to advise on policies which the Government may implement in order that this is done in an orderly fashion.

**MR. PRESIDENT:** First Elected Member from Bodden Town.

**MR. ROY BODDEN:** Thank you, Mr. President. The study and research which the Member mentioned, (that is currently being carried out upon receipt of application to dredge), what does this entail?

**HON. BENSON O. EBANKS:** Mr. President, it would exhaust the complete knowledge of Government's scientific brains and of the persons knowledgeable in dredging who are on the Coastal Works Committee. They look at every aspect and every possibility before making a recommendation. They give a detailed recommendation.

**MR. ROY BODDEN:** Mr. President, I do not believe that the question is unreasonable, it has not yet been answered. What does the study and research entail?

**HON. BENSON O. EBANKS:** Mr. President, if that is the answer that the Member was looking for a question to, he should have put it down. I just told him in the best fashion that I can, what the position is. If he wants more than that, I do not know where he is going to get it.

**MR. G. HAIG BODDEN:** Can I ask the Member, how limited is the knowledge of these people, because apparently from his answer, their brains would be exhausted?

**HON. BENSON O. EBANKS:** Mr. President, there are professionally qualified biologists and qualified environmental engineers involved in the study.

**MR. PRESIDENT:** Second Elected Member for Cayman Brac and Little Cayman.

**MR. GILBERT A. McLEAN:** Thank you, Mr. President. Would the Member say if any approvals have been granted for shore-line dredging and have any problems been encountered?

**HON. BENSON O. EBANKS:** Mr. President, that is the subject of a separate and specific question.

**MR. PRESIDENT:** I think it is Question No. 69.

**MR. G. HAIG BODDEN:** Mr. President, may I ask the Member what use is being made of studies such as the Natural Resources study that was done and other studies concerning dredging? What use is being made of all these studies in the past, to help the Government formulate, well they have no policy, but to help them make a decision?

**HON. BENSON O. EBANKS:** Mr. President, that is why I was careful to point out that the M.R.C.U., and the Natural Resources Laboratory were intertwined, because it is the study of Dr. Wicstead, Stoddard and Roberts and anyone else that has done a study on the Cayman Islands. The information is stored at the MRCU and that is the additional information, in addition to their own qualifications and findings subsequently which is used to recommend to Government what to do on an application.

**MR. ROY BODDEN:** Mr. President, may I ask the honourable Member, is it the Government's intention to formulate a policy on dredging and secondly, if it is their intention, when can we reasonably expect such a policy to be formulated?

**HON. BENSON O. EBANKS:** Mr. President, as the Member is aware, I have only had responsibility for this Portfolio since the 1st of June 1990. I did say that negotiations have been going on with one company, CH2M Hill, and I might say that that was not the only company which Government contacted. Government contacted the two pre-eminently recognised institutions in this field. After negotiations and offers by each of them, CH2M Hill was selected as the persons that they would want to do the study. Now, as to the timing of this, it will depend on whether Finance Committee consider this a grandiose scheme that should be put back, and whether they will vote the money and when?

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

**MR. TRUMAN M. BODDEN:** Mr. President, would the Member say whether he will be putting this study and the policies out for public consideration before adoption?

**HON. BENSON O. EBANKS:** Mr. President, I am not sure of the question, because I do not know what is to be benefited from this study being put out to the public. I imagine that when the study is being conducted that the people would certainly contact anybody locally with some knowledge of what they are seeking to determine. But I do not know what public discourse of a study would really lend. As to the policies, certainly we are going to make the policies public, Sir.

**MR. TRUMAN M. BODDEN:** The question, Sir, is whether the draft of those policies will go out to the public before they are made or whether they will just be made in secret in Executive Council?

**HON. BENSON O. EBANKS:** Mr. President, I cannot commit Executive Council on policy in advance.

**MR. PRESIDENT:** First Elected Member for West Bay.

**THE FIRST ELECTED MEMBER FOR WEST BAY TO ASK THE HONOURABLE ELECTED MEMBER RESPONSIBLE FOR EDUCATION, ENVIRONMENT, RECREATION AND CULTURE**

**NO. 69:** Can the Honourable Member say whether Government has refused any applications for dredging?

**ANSWER:** Yes.

(1) Hurlstone Corporation: Central Planning Authority recommended refusal for 3.0 million cubic yards dredging project in front of the Lorenzo Maun (Newlands) site.

(2) Melbourne Watler: Central Planning Authority recommended refusal for 3.0 million cubic yards dredging project in Omega Gardens.

(3) Betty Bay Pond: Central Planning Authority recommended refusal of excavation of access channel across Beach Ridge for Betty Bay Pond.

(4) Limestone Investments: Central Planning Authority recommended refusal for offshore dredging of the inland canal adjacent to Hyatt Golf Course.

**PENDING CPA HEARING**

There is one pending application for one Mr. Vernon Berry. The applicant failed to submit adequate design criterion for presentation to the Central Planning Authority. Therefore, this application is still pending.

**SUPPLEMENTARIES**

**MR. PRESIDENT:** Supplementaries. The Second Elected Member for Cayman Brac and Little Cayman.

**MR. GILBERT A. McLEAN:** Thank you, Mr. President.  
I would like to ask the question that I put a while ago. Have there been any approvals for dredging?

**HON. BENSON O. EBANKS:** Yes, Mr. President, according to information which I have, approval has been given to:

Daniel Simmons - excavation of offshore finger at the George Town Barcadere, March 1990.

K-Days Ltd. - excavation of offshore access channel, 55,000 to 60,000 cubic yards of material, May 1990, George Town Barcadere area.

Bowsers Bluff Channel - excavation to clear channel at the public beach at Bluff, North Side.

Caymarl Ltd., Dredge Cayman, ongoing dredging operation, 1.2 million cubic yards.

Land Ltd. - excavation of two million cubic yards, North Sound, Governors Sound bordering on Safe Haven - operation has not yet commenced.

SafeHaven - North Sound Dredging completed as of December 1989, ongoing internal works nearing completion.

- MR. PRESIDENT:** The First Elected Member for Bodden Town.
- MR. ROY BODDEN:** Mr. President, I am asking the Honourable Member, in the absence of any policies, what is the criterion or rationale for approval or disapproval of dredging permits?
- HON. BENSON O. EBANKS:** Mr. President, I have told the Member that each case is judged on its merits and that the Central Planning Authority, in considering this, employs all the expertise which is available to Government on which to make a decision.
- MR. ROY BODDEN:** Mr. President, it seems like I have to be a school teacher here. What are considered merits or demerits?
- HON. BENSON O. EBANKS:** Mr. President, as a school teacher he should know what merit and demerit means. The merit would be if there is anything to be gained by the country and nothing to be lost to the country by the project being done. A demerit would be if the dredging caused irreparable damage to coral, turtle grass; Red Mangrove growth and so on, anything to do with the ecological system and any environmental damage.
- MR. GILBERT A. McLEAN:** Mr. President, could the Member confirm that he is saying that Government is prepared to grant dredging licences without having any policy to guide it?
- HON. BENSON O. EBANKS:** Mr. President, if I have not made that position clear to the Member now, there is no use in my trying. I have repeated it time and time again, the same matter.
- MR. GILBERT A. McLEAN:** Mr. President, I do not think that that is an answer. I asked the Member, if Government is prepared to grant dredging licences where there is no policy in place, seeing as he is working to get one?
- HON. BENSON O. EBANKS:** Mr. President, it depends on the circumstances. As in the case of one of those that I mentioned that was granted recently, that was merely an access canal to an existing dredged channel. In circumstances like that, Government would consider it.  
Now, if Finance Committee accept that a proper environmental study of the coastal waters of the Cayman Islands and its coastal lands is not a grandiose scheme and will fund it, we will have policies as speedily as they can be implemented. And, depending on the time which the funding comes forward, Government, of course, would be guided by the delay that would be caused to any proposal as a result of awaiting those findings and the establishment of the policies.  
I can assure the Member, that it is my personal conviction that no major dredging operation should be undertaken without a proper environmental study being done. And it is my view that, is what Government should adopt. But I am not an engineer or a scientist, so I am going to wait to see if they will give us the money to have somebody from outside tell us that this is what we should do.
- MR. PRESIDENT:** The First Elected Member for West Bay.
- MR. W. McKEEVA BUSH:** Mr. President, the Member has referred, several times now, to a study and whether Finance Committee will give him the money. What is the amount he will be asking for from Finance Committee?
- HON. BENSON O. EBANKS:** I do not have a precise figure, Sir.
- MR. W. McKEEVA BUSH:** I know..(laughter)
- HON. BENSON O. EBANKS:** But, Mr. President, I can say that if the study includes the three Islands, it will be in excess of CI\$500,000.
- MR. W. McKEEVA BUSH:** Just to say that is why their grandiose projects did not get anywhere. They did not have any figures for it.
- MR. PRESIDENT:** That was hardly a question.

**HON. BENSON O. EBANKS:**  
proper bid, accepted by the Tenders Committee.

Mr. President, when I come to Finance Committee, I will have a

**MR. PRESIDENT:**  
Member to put it, I hope the House does not mind the Chair referring still to the Sister Islands rather than the full length of the title, but no doubt you will let me know if you think otherwise.  
Cayman, please.

Perhaps we could move on. Question No. 70. Before I invite the  
The Second Elected Member for the Cayman Brac and Little

**MR. GILBERT A. McLEAN:**  
Cayman, but Sister Islands, in this case, will do.

Well, Mr. President, I think we do prefer Cayman Brac and Little

**THE SECOND ELECTED MEMBER FOR CAYMAN BRAC AND LITTLE CAYMAN TO ASK THE HONOURABLE ELECTED MEMBER RESPONSIBLE FOR COMMUNICATIONS WORKS AND AGRICULTURE**

**NO. 70:** Would the Honourable Member say if a new road has been constructed by Government in recent times on the Bluff in Cayman Brac running north to south in the vicinity known as Dead Mans Point? If the answer is in the affirmative, who authorised its construction and design?

**ANSWER:** The answer is yes. A new road has been constructed by the Government in recent times; subsequent to representation made by farmers on Cayman Brac to the Government, funds were budgeted and approved for the construction of the road at Dead Man's Point. The road was designed to keep within the budgetary allocation, and to give vehicular access to arable land in the area.

**SUPPLEMENTARIES**

**MR. PRESIDENT:** Supplementaries.

**MR. GILBERT A. McLEAN:** Mr. President, to refer back to the substantive question, is the Member saying that it was authorised by Government, if so, by whom and who authorised the design? In fact, who designed it, is there a design to it?

**HON. LINFORD A. PIERSON:** Mr. President, the design was prepared by the Public Works Department in Cayman Brac.

**MR. GILBERT A. McLEAN:** Mr. President, could the Member say if there is any drawing whatsoever for that road and if not, how was it placed the way it presently sits?

**HON. LINFORD A. PIERSON:** Mr. President, before I answer that supplementary I should explain to the Member asking that the procedure in Cayman Brac, regarding the building of roads differs slightly from here in Grand Cayman. In Grand Cayman I have taken each Member of the Legislative Assembly to the various areas, where they have requested work being done and the work has been prepared in accordance with their priorities.

It is slightly different in Cayman Brac. The Administration in Cayman Brac together with the Honourable Administrative Secretary, who is in charge of that and in consultation with the two representatives for Cayman Brac, decide on their priorities. Not my Portfolio.

**MR. PRESIDENT:** The First Elected Member for Cayman Brac and Little Cayman.

**CAPT. MABRY S. KIRKCONNELL:** Thank you, Mr. President, a supplementary.  
Would the Honourable Member confirm that this is a feeder road for agricultural purposes only, and it was designed along a foot path commonly known as Dead Mans Point, therefore, it was not designed but followed in order not to disrupt boundaries, and that is the reason that it is designed the way it is?

**HON. LINFORD A. PIERSON:** Yes, Mr. President, that is my understanding, Sir.

**MR. PRESIDENT:** The Second Elected Member for Cayman Brac and Little Cayman.

**MR. GILBERT A. McLEAN:** Mr. President, it has been stated that the road which has been constructed on the Bluff is an agricultural feeder road. Could the Member say if that road is serving any grounds or cultivation now, and if, so how many?

**HON. LINFORD A. PIERSON:** Mr. President, I do not have this information readily available, as mentioned. This detail would be something I would have to get from the District Administration as my Portfolio is not directly involved. I would, however, defer to the Honourable Third Official Member. Maybe he can enlighten you on that point since I do not have that information, but I would be happy to provide it in writing.

- MR. GILBERT A. McLEAN:** That is fine. A further supplementary. The road that has been built, who would now claim ownership to it?
- HON. LINFORD A. PIERSON:** It would be a public road, Mr. President, gazetted by Government.
- MR. GILBERT A. McLEAN:** Could the Member say if it has been gazetted and if not, when it might be gazetted?
- HON. LINFORD A. PIERSON:** It is my understanding that a survey is now being carried out and as soon as this is finalised a boundary plan will be prepared and the road will be gazetted.
- MR. PRESIDENT:** The First Elected Member for Bodden Town. I am sorry if you felt you were being delayed but normally the Chair would give the original question the supplementaries as long as he went on. Please continue.
- MR. ROY BODDEN:** I understand and appreciate your courtesy, Sir.  
Mr. President, supplementary to the Honourable Member. Are we to understand from the information that you gave a short while ago, that no consideration was given to an alternate route nor to the cost of the construction of this road?
- HON. LINFORD A. PIERSON:** Mr. President, I am not aware of an alternate route being suggested in this case.
- MR. ROY BODDEN:** Mr. President, I am sorry if I implied that one was suggested. I am asking, was an alternate route suggested or investigated by the people who constructed the road? Was there any consideration given to this or, given to the cost of the construction of the present road?
- HON. LINFORD A. PIERSON:** Mr. President, I apologise to the Member if I did not make it quite clear that my Portfolio is not directly responsible for the construction of roads in Cayman Brac, so no details on this road was brought to my Portfolio's attention. However, I would say that since I have been asked to answer these questions, it is a matter that I have suggested to the Administrative Secretary, that we need to discuss more closely as to who will be responsible for these roads.
- MR. GILBERT A. McLEAN:** Mr. President, would the Member say if he thinks, that it would be proper that roads should fall under the responsibility of the Portfolio charged with them, and that in these Islands there should be a central authority, and not because there may be a road in Cayman Brac that only a few people know about it, it should be the responsibility of the Portfolio?
- MR. PRESIDENT:** I think you are inviting the Member to give a personal opinion which, in the light of the Constitution, I do not think he can.  
The Second Elected Member for Bodden Town.
- MR. G. HAIG BODDEN:** Mr. President, can I ask the Member if he took the opportunity to visit Dead Man's Point when I saw him in Cayman Brac recently with such a large entourage? (laughter)
- HON. LINFORD A. PIERSON:** Mr. President, I am glad that the Member has mentioned that I make very frequent trips to Cayman Brac in carrying out my official duties, but when he saw me there recently the purpose of my visit to Cayman Brac was to hold our Port Authority Meeting in Cayman Brac, as we do annually. That was the purpose. But, indeed, I did take the opportunity while I was there to visit some of the roads and also to take a trip across to Little Cayman to visit the development in that Island also.
- MR. GILBERT A. McLEAN:** Mr. President, knowing that there are only two cultivations in this area, but just above that particular road that has been built by Government, there is an area where there are approximately nine cultivations, will Government give any consideration to putting a similar road in that area, or indeed, in any area where there is cultivation on the Bluff?
- HON. LINFORD A. PIERSON:** Mr. President, again, in consultation with the representative for Cayman Brac and the Honourable Administrative Secretary, I will be prepared to look at any proposal that the Members may put forward.
- MR. PRESIDENT:** The First Elected Member for Cayman Brac and Little Cayman.
- CAPT. MABRY S. KIRKCONNELL:** Mr. President, a supplementary. Is the Honourable Member aware that the parcel mentioned by the Second Elected Member for Cayman Brac and Little Cayman, is reached by this road? The western boundary of the parcel that he is mentioning is the eastern end of this present agricultural feeder road.
- HON. LINFORD A. PIERSON:** Mr. President, for the information of Members, I might mention

here the names of the land owners over which the road is built. It runs over the property for Ida Pearl Bodden, Sheldon Darly Ryan, Astley Kendall Ryan, John E. Hurlstone and Robert Hurlstone, Bernard Tibbetts, Geddes Grant, Martin E. Hurlstone, Elvern K. Hurlstone, Ernyl A. Hurlstone, Reena E. Long, Ivan Hurlstone, James Randolph Tibbetts, Albert F. Ryan and administrators, or Isaac Caleb Ryan (deceased).

**MR. GILBERT A. McLEAN:** Mr. President, I would just like to mention that I did not identify any parcel of land when I asked the question about the possibility of another road.

**MR. PRESIDENT:** Perhaps, that was not a question so I think we can proceed. I was hoping we might get through Questions before taking the normal break. That is a word of encouragement. Question No. 71, please, the Second Elected Member for Cayman Brac and Little Cayman.

**THE SECOND ELECTED MEMBER FOR CAYMAN BRAC AND LITTLE CAYMAN TO ASK THE HONOURABLE ELECTED MEMBER RESPONSIBLE FOR TOURISM, AVIATION AND TRADE**

**NO. 71:** Would the Honourable Member say which persons or firm provided legal service locally and/or overseas in connection with the sale of Cayman Airways Limited's 727 jets and the lease of its 737 jet aircraft, and how much in fees and expenses was paid to them?

**ANSWER:** The cost of legal services locally and overseas in connection with the sale of the Boeing 727-200 lease and the lease of the two Boeing 737-400 were as follows;

Johnson & Gibbs	\$ 79,800
Kelly, Drye & Warren	57,700
C.S.Gill & Company	3,027
	-----
Total:	\$140,527
	=====

The first two companies, Johnson and Gibbs and Kelly, Drye and Warren are overseas companies. C.S. Gill and Company is a local company.

**SUPPLEMENTARIES**

**MR. PRESIDENT:** Supplementaries.

**MR. GILBERT A. McLEAN:** Mr. President, can the Member say why there is such a large expenditure in legal fees overseas and such a small amount here in the Cayman Islands?

**HON. W. NORMAN BODDEN:** No, Mr. President, I cannot say why because I do not know on what basis the management of Cayman Airways selects the persons or law firms when they require legal advice.

**MR. GILBERT A. McLEAN:** Mr. President, is the Member saying that he was not informed, as the Member responsible, about what was happening with the management of Cayman Airways when this sale went through and the lease was taken up?

**HON. W. NORMAN BODDEN:** No, Mr. President, I am not saying that. I am aware that negotiations were on-going between Cayman Airways and other companies regarding the lease-out of the 727 and the lease of the 737. What I am saying is that I had no input into the selection of the Law Firms that gave Cayman Airways legal advice.

**MR. GILBERT A. McLEAN:** Mr. President, the Member then could not say whether the two firms named here were, indeed, the best they could have got or, if indeed, they were getting the best value for money?

**HON. W. NORMAN BODDEN:** Mr. President, that is an evaluation that has to be made by the management of the company. Not by me.

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

**MR. TRUMAN M. BODDEN:** Mr. President, could the Member say why two law firms in the United States were employed?

**HON. W. NORMAN BODDEN:** I believe that they were from different areas of the United States and one dealt with the 737s and the other dealt with the 727s.

**MR. PRESIDENT:** We will take the last question on today's Order Paper, No. 72. The Second Elected Member for Cayman Brac and Little Cayman, please.

**THE SECOND ELECTED MEMBER FOR CAYMAN BRAC AND LITTLE CAYMAN TO ASK THE HONOURABLE ELECTED MEMBER RESPONSIBLE FOR TOURISM, AVIATION AND TRADE**

**NO. 72:** Would the Honourable Member say what has been the cost of food catering to Cayman Airways limited from 1977 to the 31st of May, 1990, both in Cayman and overseas, giving cost in each instance?

**ANSWER:** Based on an agreement reached between Cayman Airways Limited and its external auditors, detailed accounting records are only stored for a period of five years. Consequently the breakdown of the information requested is only available from the 1st of July, 1985.

The following is, therefore, the cost of food catering, both locally and overseas, on a yearly basis:-

	Local	Overseas
1st July, 1985 to 30th June, 1986	\$306,370	\$406,117
Year ended 30th June, 1987	491,259	600,418
Year ended 30th June, 1988	444,211	500,185
Year ended 30th June, 1989	344,687	517,032
1st July, 1989 to 31st May, 1990	360,261	485,514

It must be pointed out that these costs represent catering supplied to a total of 1,536,546 passengers carried by Cayman Airways. Thus producing an average cost per meal of \$2.53 locally and \$3.26 overseas.

**SUPPLEMENTARIES**

**MR. PRESIDENT:** Supplementaries.

**MR. GILBERT A. McLEAN:** Would the Member say how significant a percentage cost to Cayman Airways is the area of food catering?

**HON. W. NORMAN BODDEN:** Does the Member mean the percentage costs of the overall expenditure of the Company?

I would venture a guess of somewhere in the region of three to four per cent. I really do not have the exact figure but I would estimate that is about the percentage cost.

**MR. GILBERT A. McLEAN:** Mr. President, would the Member say if attempts at intervals are made to review the food catering, both locally and overseas?

**HON. W. NORMAN BODDEN:** Yes, the review is done on a six month basis, both locally and overseas.

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

**AT 11:51 A.M. THE HOUSE SUSPENDED**

**THE HOUSE RESUMED AT 12:18 P.M.**

**GOVERNMENT BUSINESS**

**BILLS**

**MR. PRESIDENT:** Proceedings of the House are resumed. Item Four of today's Order Paper, Bills, First Reading.

**FIRST READING**

**THE TOWNS AND COMMUNITIES (AMENDMENT) BILL, 1990**

**CLERK:** The Towns and Communities (Amendment) Bill, 1990.

**MR. PRESIDENT:** A Bill entitled the Towns and Communities (Amendment) Bill, 1990, is deemed to have been read a first time and is set down for Second Reading.



**THE POLICE (AMENDMENT) BILL, 1990**

**CLERK:** The Police (Amendment) Bill, 1990.

**MR. PRESIDENT:** A Bill entitled, The Police (Amendment) Bill, 1990 is deemed to have been read a first time and is set down for Second Reading.

**THE COMPANIES (AMENDMENT) BILL, 1990**

**CLERK:** The Companies (Amendment) Bill, 1990.

**MR. PRESIDENT:** A Bill entitled the Companies (Amendment) Bill, 1990 is deemed to have been read a first time and is set down for Second Reading.  
Government Business, continued.

**MOTIONS****GOVERNMENT MOTION NO. 3/90  
AMENDMENT TO THE LEGISLATIVE ASSEMBLY STANDING ORDERS**

**MR. PRESIDENT:** The Honourable the Elected Member for Education.

**HON. BENSON O. EBANKS:** Mr. President, I beg to move, Government Motion No. 3/90, entitled Amendment to Standing Orders which reads as follows:

**"WHEREAS** the Standing Finance Committee of this Honourable House presently sits in private so that the public are excluded from its proceedings;

**AND WHEREAS** the said Committee does not include two of the Official Members of the Legislative Assembly, although those Members have their own Portfolios and responsibility for their own Heads of expenditure;

**AND WHEREAS** on two occasions, including the present the Member of Executive Council responsible for Cayman Brac and Little Cayman is not a Member of the Standing Finance Committee and it is now found desirable to correct these anomalies;

**BE IT THEREFORE RESOLVED THAT** Standing Orders be amended by-

(1) deleting Standing Order 73 in its entirety;

(2) inserting a new Standing Order, to be numbered 62A, after Standing Order 62, and after the heading "FINANCIAL PROCEDURE", which shall read as follows:

<sup>Finance Committee.</sup> 62A (1) There shall be a Committee of the whole House, to be called the Finance Committee, for the consideration of the estimates of expenditure, financial bills and other business referred to it by the House or by the Governor or by the Financial Secretary.

(2) Subject to Standing Orders 81 and 82 the deliberations of the Finance Committee shall be in public.

(3) The provisions of these Standing Orders relating to Committees of the whole House upon bills shall apply to Finance Committee, save that in the event of any conflict the provisions of Standing Orders 63 to 68 shall prevail, and save that Standing Order 55 shall not apply except to the extent provided for in Standing Order 57 (2).

(4) For the purposes of Standing Order 67, the Financial Secretary may at any time, whether or not there is a Meeting of the House in progress, and either of his own motion or upon the request of a Member of Government, ask the Presiding Officer to summon a meeting of the Finance Committee. Upon the receipt of such a request the Presiding Officer shall summon a meeting of Finance committee at the earliest possible date, or at any other date proposed by the Financial Secretary."

**AND BE IT FURTHER RESOLVED THAT** the Standing Orders' Committee shall consider the proposed amendments to Standing Orders contained in this motion forthwith,

and shall proceed with that consideration continuously until it has concluded its consideration of the proposal, and shall thereupon report upon it to this Honourable House without delay;

**AND BE IT FURTHER RESOLVED THAT** this Honourable House shall stand adjourned until the Standing Orders' Committee is ready to report upon the proposal."

**NOTICE OF MOTION  
SUSPENSION OF STANDING ORDER 70(5)**

Mr. President, I also beg to give Notice of a Motion, that: In accordance with Standing Order 83, I, the Elected Member of Executive Council responsible for Education, Environment, Recreation and Culture, do move that Standing Order 70(5) be suspended to allow the Standing Orders Committee to take the Committee Stage of Government Motion No. 3/90, that is the Motion just read on the floor of this Honourable House, which is in public.

**MR. PRESIDENT:** Government Motion No. 3/90 has been duly moved and notice given of the Motion to suspend Standing Orders. Having listened to the text of Motion No. 3/90, I would like to suspend for a few moments to take legal advice on a question which, I admit, has only just occurred to me, that is, that in the last and penultimate paragraph of the Motion there are two matters additional to the actual text of the proposed new Standing Order. I am not at all sure whether, and now I refer to Standing Order 84(3), we can direct this Motion to the Standing Orders Committee including the last part of the resolution and the penultimate part, without those two being put to a vote. So I would ask your indulgence for a few minutes while I take legal advice. We will suspend accordingly.

**AT 12:26 P.M. THE HOUSE SUSPENDED**

**HOUSE RESUMED AT 12:34 P.M.**

**MR. PRESIDENT:** Proceedings are resumed. I think I once said that there is nothing... No, put that the other way around... There is always something new in Standing Orders. The Business before the House now comprises of Government Motion No. 3/90, and a Motion to suspend Standing Order 70(5). I have taken legal advice and I think that the House should now follow this procedure.

Government Motion No. 3/90, proposes an amendment to Standing Orders. That is in the papers in front of Members, the first of the two pages. That is dealt with under Standing Order 84, and under Standing Order 84(3), once such a Motion has been moved, the question is put forthwith whether it be referred to Standing Orders Committee. In other words, there is no debate on that question. That is the first part of this Motion. So in the procedure, when we come to it, the Chair will put that question first and separately; that the proposal to amend Standing Orders be referred to Standing Orders Committee and the question will then be put straight away.

Now the rest of this Motion No. 3/90, has two Resolutions which seek to adjourn the House first, and then for the Standing Orders Committee to consider the matter referred to it, to consider it without delay and report back to the House. My conclusion is that those two parts of this Resolution do not fall under Standing Order 84(3) and that, therefore, these two propositions (we use the word in Standing Orders) should be the subject of debate.

So, if I may recap. First is the question put directly on the question of reference to Standing Orders Committee. If that is decided in the affirmative, then the House will proceed to examine the two propositions on adjournment, and that the Standing Orders Committee do conduct its business expeditiously and then report. I am paraphrasing. That will be the subject of the debate as for a motion in the usual way. If those two propositions are passed by the House, then the Motion recently moved by the Honourable Member for Education, that the Standing Orders Committee deals with this proposal in public, then that will be put as a Motion and debated in the usual way. I know this is all very sudden and long winded, but perhaps I can just go through it once again and then if there are any problems we can call on the Attorney General and so on.

What I propose is that the House should take first, the first part of Government Motion No. 3/90, which is the proposal to remit to Standing Orders Committee, amendment to Standing Order 73 and its replacement by the draft in the Motion. That will be put to the House directly without debate under Standing Order 84(3).

If that is passed, then propositions No. 2 and No. 3 at the end of Government Motion No. 3/90 will be taken and they will be debated in the normal way. The vote will then be taken after that debate. If that is in the affirmative, then the House will proceed to the Motion that the Standing Orders Committee will take its proceedings in public. If that is in the affirmative, then the Standing Orders Committee would have its guidance.

After that, assuming all of that is in the affirmative, then the House would stand adjourned while the Standing Orders Committee gets on with its business. I hope that is reasonably clear.

**MR. G. HAIG BODDEN:** Mr. President, just one question for clarification. If the first Motion fails, would the rest of the Resolution fall away?

**MR. PRESIDENT:** Yes, because there is then nothing to be referred to Standing Orders Committee. I speak, subject to advice from the Attorney General always.  
Is that clear, or were there some questions? I think it is important that we all, including the Chair, understand where we are going.

**MR. W. McKEEVA BUSH:** Just to be clear, Sir. You are going to take the vote now then?

**MR. PRESIDENT:** The first step will be to take the vote on the first proposition in Government Motion No. 3/90. That is, that the proposed amendment to Standing Orders be referred to the Standing Orders Committee. That is under Standing Order 84(3) where it is done directly without debate on the Motion. So that will be the first process. If Members are happy, I propose that we take that now and then adjourn for lunch.

In that case, I will put the question on the first resolution in Government Motion No. 3/90, which proposes that Standing Orders be amended in the way that it is set out in the Motion.

**QUESTION PUT: AYES AND NOES.**

**MR. PRESIDENT:** Would you take a Division, please, Clerk?

**DIVISION NO. 9/90**

**AYES: 8**

Hon. Thomas Jefferson  
Hon. Anthony Smellie  
Hon. Lemuel Hurlston  
Hon. Norman Bodden  
Hon. Benson Ebanks  
Hon. Ezzard Miller  
Hon. Linford Pierson  
Capt. Mabry S. Kirkconnell

**NOES: 7**

Mr. W. McKeeva Bush  
Mr. John D. Jefferson, Jr.  
Mr. Truman M. Bodden  
Mr. Gilbert A. McLean  
Mr. Roy Bodden  
Mr. G. Haig Bodden  
Mr. John B. McLean

**AGREED BY MAJORITY: THAT STANDING ORDERS BE AMENDED IN ACCORDANCE WITH THE FIRST RESOLVE OF GOVERNMENT MOTION NO. 3/90**

**MR. PRESIDENT:** That part of the Motion, the proposed amendment to Standing Orders, therefore stands remitted to the Standing Orders Committee under Standing Order 84(3). And subsequently, proceedings are suspended until 2:15.

**AT 12:52 P.M. THE HOUSE SUSPENDED**

**HOUSE RESUMED 2:18 P.M.**

**MR. PRESIDENT:** Proceedings of the House are resumed.  
I should just like to mention that it has been reported to me the various remarks made by members of the public in the Gallery, and although I am sure the Members of the House are very pleased, indeed, to see so many people here, I would remind you that we do expect peace and quiet in the Gallery, as well as the House itself. So, we will resume on the latter part of the Government Motion No. 3/90, and that is the last two paragraphs. I would now invite the mover of the Motion to speak to those two paragraphs.

**DEBATE ON GOVERNMENT MOTION NO. 3/90  
(STANDING ORDER 24(13))**

**HON. BENSON O. EBANKS:** Thank you Mr. President.  
For clarity's sake, I would just like to say that my understanding is that we are now proceeding under Standing Order 24(13) which reads:

"If a motion embodies two or more separate propositions, the propositions may be proposed by the Presiding Officer as separate questions."

**MR. PRESIDENT:** That is correct.

**HON. BENSON O. EBANKS:** We have disposed of the first proposition which is that we reconstitute the Finance Committee as contained in Government Motion No. 3/90. The two remaining sections of

the motion read:

**"AND BE IT FURTHER RESOLVED THAT** the Standing Orders' Committee shall consider the proposed amendment to Standing Orders contained in this motion forthwith, and shall proceed with that consideration continuously until it has concluded its consideration of the proposal, and shall thereupon report upon it to this Honourable House without delay;

**AND BE IT FURTHER RESOLVED THAT** this Honourable House shall stand adjourned until the Standing Orders' Committee is ready to report upon the proposal."

Mr. President, the first two and a half lines of the first bit here, I do not think cause us any problem. That merely is restating what Standing Order 84(3) really implies, and that is, that the first part of the Motion would stand committed to the Standing Orders Committee.

Where we have different proposals is that the Motion includes that the Standing Orders Committee shall proceed with that consideration continuously until it has concluded its considerations of the proposal, and shall thereupon report it to this Honourable House without delay. It is because of that why you have quite rightly, in my opinion, decided to put this Resolve section of the Motion and the last as separate questions. It is entirely different, it is not automatic and it takes the will of the House to direct itself in the fashion that this section has attempted to do.

These sections are consequential on the Motion which we voted on before the adjournment. I believe it is the will of this House that we proceed as speedily as possible now to bring this matter to its logical and ultimate conclusion. I do not see where there is anything to be gained either by Members, the listening public or the Cayman Islands, by us delaying unduly the vote on these three, what I consider, consequential Resolutions or proposals within a Resolution. So, without any further ado, I commit these two sections of the Motion to the House and seek their support, that is:

"That the Standing Orders Committee shall consider the proposed amendment to Standing Orders contained in this Motion forthwith and shall proceed with that consideration continuously until it has concluded its consideration of the proposals and shall thereupon report upon it to this honourable House without delay;

**AND BE IT FURTHER RESOLVED THAT** this Honourable House shall stand adjourned until the Standing Orders Committee is ready to report upon the proposal."

I recommend that, Mr. President, to Honourable Members.

**MR. PRESIDENT:**

Does any other Member wish to speak?

This part of the Motion of course, is about the question of adjournment and the directions to the Standing Committee. It is not about the merits of the proposed amendments to Standing Orders. (pause) Does any other Member wish to speak? The First Elected Member for West Bay.

**MR. W. McKEEVA BUSH:**

I suggest we take the vote, Sir.

**MR. PRESIDENT:**

The Honourable Member for Health.

**HON. D. EZZARD MILLER:**

Mr. President, I rise to support and endorse what has been said by the Honourable Member responsible for Education. We have, in fact, already decided, through the will of the House, that Government Motion No. 3/90, that is, in relation to the changes being proposed to the Standing Orders, has been decided that the Standing Orders Committee shall consider these recommendations and decide whether to accept these recommendations. If the Standing Order Committee accept the recommendations and the Governor accepts the recommendations as changes to the Standing Orders, the changes will take effect when the Governor of the Cayman Islands accepts them as changes to the Standing Orders.

The two sections of the Motion which the House is asked to decide on are consequential and matters of procedure and deals with how the Standing Order Committee should deal with this Motion. It says:

**"AND BE IT FURTHER RESOLVED THAT** the Standing Orders' Committee shall consider the proposed amendment to Standing Orders contained in this Motion forthwith, and shall proceed with that consideration continuously until it has concluded its consideration of the proposal, and shall thereupon report upon it to this Honourable House without delay;"

There has been much said about the reasons for this Motion and what the Motion is all about. I believe, that it would serve the country and Members well to proceed expeditiously with the consideration of this Motion; that a decision is taken one way or another and that the matter is put to rest without delay. The second part of the Motion that we are deciding on reads;

**"AND BE IT FURTHER RESOLVED THAT** this Honourable House shall stand adjourned until the Standing Orders Committee is ready to report upon the proposal."

Again, Sir, I believe it is a matter of national interest that this decision be done as early as possible, therefore, I have no hesitation, in recommending to this Honourable House that it be adjourned until the Standing Orders Committee has completed its deliberations on Government Motion No. 3/90. That is, in particular, the substantive part of the Motion which the House has already expressed the will, by majority, that it goes to the Standing Orders Committee and that it be considered by it. Because of the importance of this Motion the House should stand adjourned until the deliberations are complete and the Committee is ready to report upon the proposal.

These are not outlandish or very serious considerations being requested in these two sections of the Motion. They are simply efforts to move the Business along, have the Business completed, and a decision taken. It can be put to rest so that we can get on with the substantive debate in the Standing Orders Committee, the public can hear the pros and the cons of the changes proposed; a decision can be taken at the earliest possible time, and we can put this matter to rest.

Mr. President, I have no hesitation in asking all Honourable Members of this House to support these two Resolve sections of the Motion.

Thank you very much.

**MR. PRESIDENT:**

Does any other Member wish to speak? (pause) I realise I may be giving the House a fortune in giving Members so long an opportunity, so much time for the opportunity to speak and that on future occasions you will expect as long again. But, this is an important matter and I would wish Members to be quite sure that they do or they do not wish to speak, as the case may be. (pause) Well if no other Member wishes to speak, the Member who moved these two propositions has a right of reply, if he wishes.

**HON. BENSON O. EBANKS:**

Mr. President, it appears that I read the feeling of the House correctly. We want to get on with studying the Motion, that is, the first Resolve section of the Motion, which is the meat of it, in Finance Committee as quickly as possible. As the Standing Orders Committee, the Member who spoke, pointed out there has been arguments on both sides, and I think it is time that we for all times put this matter to rest, having told the country the true facts on the Motion.

Thank you very much, Sir.

**MR. PRESIDENT:**

The question will now be put therefore on the last two paragraphs on Government Motion No. 3/90, and I will read them out yet again so the House is clear on what it is voting;

**"AND BE IT FURTHER RESOLVED THAT** the Standing Orders committee shall consider the proposed amendment to Standing Orders contained in this motion forthwith, and shall proceed with that consideration continuously until it has concluded its consideration of the proposal, and shall thereupon report upon it to this Honourable House without delay.

**AND BE IT FURTHER RESOLVED THAT** this Honourable House shall stand adjourned until the Standing Orders' Committee is ready to report upon the proposal;"

**MR. PRESIDENT:**

The question will now be put.

**QUESTION PUT: AYES AND NOES.**

**MR. PRESIDENT:**

Would you take the role please, Clerk?

**DIVISION NO. 10/90**

**AYES: 8**

Hon. Thomas Jefferson  
Hon. Anthony Smellie  
Hon. Lemuel Hurlston  
Hon. Norman Bodden  
Hon. Benson Ebanks  
Hon. Ezzard Miller  
Hon. Linford Pierson  
Capt. Mabry S. Kirkconnell

**NOES: 7**

Mr. W. McKeever Bush  
Mr. John D. Jefferson, Jr.  
Mr. Truman M. Bodden  
Mr. Gilbert A. McLean  
Mr. Roy Bodden  
Mr. G. Haig Bodden  
Mr. John B. McLean

**AGREED BY MAJORITY:**

**SECOND AND THIRD RESOLVES OF GOVERNMENT MOTION NO. 3/90 PASSED.**

**MR. PRESIDENT:**

So those two propositions are passed. The next item of business then is the Motion of Notice which was given before lunch....Could we have quiet in the gallery?...A Motion to be moved by the Honourable Member for Education referring to Standing Order 70(5). The Honourable the Member for Education.

**MOTION TO SUSPEND STANDING ORDER 70(5)**

**HON. BENSON O. EBANKS:**

Yes, Mr. President, consequent on the acceptance by this House of Government Motion No. 3/90, I wish to move the following Motion.

"In accordance with Standing Order 83, I, the Elected Member of Executive Council responsible for Education Environment Recreation and Culture do move that Standing Order 70, sub-order (5), be suspended to allow the Standing Orders Committee to take the Committee stage of Government Motion No 3/90, on the floor of this honourable House, that is in public."

**MR. PRESIDENT:**  
continue.

The Motion is duly moved, just for the sake of form. Please

**HON. BENSON O. EBANKS:**

Thank you, Mr. President.  
Mr. President, Standing Order 70(5), states that:

"Subject to any order of the House or resolution of the Committee, the sittings of a Select Committee shall be held in private."

That is a Standing Order which may serve us in good stead in the future when we have some delicate matters or sensitive matters to discuss. But I believe that since we are embarking on 'Government in the sunshine' - as it is called in Florida where proceedings of certain or most committees are held in public, in fact they are even televised - that there could be no better place to start such open dialogue than on this Motion which has evoked so much emotion and has caused, in my opinion, much misinformation to be circulated. I believe that this is a good place, as I said, to start Government in the sunshine. I recommend this Motion to Honourable Members, Mr. President.

**MR. PRESIDENT:**

It appears that no Member wishes to speak on this? (pause) In that case I shall put the question. The question is to be put on the notice of the motion just proposed.

**QUESTION PUT: AYES AND NOES.**

**MR. W. McKEEVA BUSH:**

Can I have a division, Mr. President?

**MR. PRESIDENT:**

Would you take the role please Clerk?

**DIVISION NO. 11/90**

**AYES: 15**

**NOES: 0**

Hon. Thomas Jefferson  
Hon. Anthony Smellie  
Hon. Lemuel Hurlston  
Hon. Norman Bodden  
Hon. Benson Ebanks  
Hon. Ezzard Miller  
Hon. Linford Pierson  
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. Haig Bodden  
Mr. John B. McLean

**UNANIMOUSLY AGREED:**

**THAT STANDING ORDER 70(5) BE SUSPENDED TO ALLOW THE STANDING ORDERS COMMITTEE TO TAKE THE COMMITTEE STAGE OF GOVERNMENT MOTION NO. 3/90 ON THE FLOOR OF THE HOUSE, IN PUBLIC.**

**MR. PRESIDENT:**

In that case the House stands adjourned in terms of

Government Motion No. 3/90 until the Standing Orders Committee shall complete its business and report to the House. Proceedings are adjourned accordingly.

**THE HOUSE STOOD ADJOURNED AT 2:41 P.M.**

*(MEETING OF THE STANDING SELECT COMMITTEE ON STANDING ORDERS)*

**HOUSE RESUMED AT 6:55 P.M.**

**MR. PRESIDENT:** Please be seated. Proceedings of the House are resumed. Reports from Committee, the Honourable the First Official Member.

## **PRESENTATION OF PAPERS AND OF REPORTS**

### **REPORT OF THE STANDING SELECT COMMITTEE ON STANDING ORDERS**

**HON. THOMAS C. JEFFERSON:** Mr. President, I beg to lay on the Table of this Honourable House the Report of the Standing Select Committee on Standing Orders.

**MR. PRESIDENT:** So ordered.

**HON. THOMAS C. JEFFERSON:** Mr. President, the Select Committee on Standing Orders deliberated Government Motion No. 3/90 to amend Standing Orders and agreed to the following:

1. Section 62(A)(2) of the amended Standing Orders which states:  
 "(2) Subject to Standing Orders 81 and 82 the deliberations of the Finance Committee shall be in public.";
2. That the proceedings of this Select Committee's meeting shall be aired on Radio Cayman; and
3. That Standing Order 72(5) be suspended to enable the Report to be tabled forthwith without the minutes and that the House reconvene in accordance with the third Resolve of the said Government Motion.

ITEM 62(A)(1): With regard to 62(A)(1), (3) and (4) of the amended Standing Order, a Division of the Committee resulted in 7 votes for and 7 votes against the said proposed subsection. In accordance with the traditional precedent by the President of this House, and in accordance with Erskine May, the Chairman cast his vote with the Noes to retain the status quo. The recommendation of the Committee is that sub-sections (1), (3) and (4) of the amended Standing Order 62(A) be rejected.

Mr. President, it might be important to say that on this occasion, now as the First Official Member of Government, I am bound by collective responsibility in this voting to the Report of the Standing Select Committee to the House.

The Committee by majority agrees that this Report be the Report of the Standing Select Committee on Standing Orders to be tabled in this honourable House.

**MR. PRESIDENT:** The Honourable Member for Education.

## **MOTION**

**(STANDING ORDER 72(5))**

### **TO REJECT THE RECOMMENDATIONS CONTAINED IN THE REPORT OF THE STANDING SELECT COMMITTEE ON STANDING ORDERS**

**HON. BENSON O. EBANKS:** Mr. President, in accordance with Standing Order 72(5) I beg to move that the recommendations contained in the Report of the Standing Orders Committee just presented to this honourable House by the Chairman of the said Committee be rejected and that the will of this honourable House remain as expressed in the Resolution upon Government Motion No. 3/90.

**MR. PRESIDENT:** Have copies of that Motion been circulated?

**MR. W. McKEEVA BUSH:** No.

**MR. G. HAIG BODDEN:** No, Mr. President.

**MR. PRESIDENT:** They will be now. (pause)

**MR. W. McKEEVA BUSH:** Well planned.

**MR. PRESIDENT:** The Motion has been duly moved, but before inviting debate on it, I would point out that the House has adjourned outside normal sitting hours in accordance with the resolution of this morning and unless there is a motion to continue sitting, we would now normally adjourn.

### SUSPENSION OF STANDING ORDER 10(2)

#### MOTION FOR THE CONTINUATION OF DEBATE ON THE MOTION

**MR. W. McKEEVA BUSH:** Mr. President, I move that we continue the debate on this Motion until we are finished.

**MR. PRESIDENT:** If I may paraphrase you, you are moving that Standing Orders be suspended in order to complete the debate upon this Motion.

**MR. W. McKEEVA BUSH:** Correct.

**MR. PRESIDENT:** Thank you.  
Does any Member wish to speak on that Motion? I beg your pardon. I am sorry, a seconder is required.

**MR. ROY BODDEN:** Mr. President, I beg to second that Motion, Sir.

**MR. PRESIDENT:** The Motion has been seconded. Does any Member wish to speak? The Honourable the Member for Education.

**HON. BENSON O. EBANKS:** Yes, Mr. President.  
The effect of this Motion is to put, for the first time, Government Motion No. 3/90 on the floor for full debate. I doubt that there is any point in commencing debate on this Motion this evening because we certainly would not finish it during tonight. I foresee this debate taking several days and for that reason, I cannot support the Motion to continue tonight.

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

**MR. G. HAIG BODDEN:** Mr. President, I may point out that the Resolution which the Member for Education had passed through the House, more or less, indicates that we would sit continuously until we had completed this business. He seems to have been caught by his sunshine laws.

**MR. PRESIDENT:** I am not sure about sunshine, but I think the original Motion referred to the Standing Orders Committee sitting continuously rather than the House. But this is the will of the House if you wish to sit on.

Does any other Member wish to speak? The Third Elected Member for George Town.

**MR. TRUMAN M. BODDEN:** Mr. President, I only had a very short period to look at this, but at whatever time may be convenient for you I would like to take a Point of Order in relation to the Motion. I would just like to reserve that right, Sir.

**MR. PRESIDENT:** Would you like to take it now? By all means.

**MR. TRUMAN M. BODDEN:** Mr. President, the Motion, as I see, under Standing Order 72(5) which, I would just like to read, says:

"The report or special report together with a copy of the minutes of proceedings of a Select Committee shall be presented to the House by the Chairman or other Member of the Committee acting on his behalf, and shall be recorded in the minutes of proceedings of the House as having been so presented and the Chairman or any Member may forthwith and without notice move that the recommendations contained therein be adopted, modified or rejected, and if the motion be seconded and unopposed the Presiding Officer may forthwith and without debate put the question thereon."

In sub-section (6) it says:

"A motion moved and seconded under paragraph (5) shall, where it is opposed, be deemed to be an original motion of which notice has been duly given."

It seems to me that the Motion if it reads:

"In accordance with Standing Order 72(5) I beg to move that the recommendations



contained in the Report of the Standing Orders Committee just presented to this Honourable House by the Chairman of the said Committee be rejected."

I think down to that aspect is good under the Standing Order because you can only reject, adopt or modify. What the Member is attempting to do is to add a further substantive Motion on which is, "that the will of this Honourable House remain as expressed in the resolution of Government Motion No. 3/90."

The support for this is that if the Motion here, under this Standing Order 72(5) is going to be used, then if he moves a rejection, what the latter part seeks to be doing is clearly not just to reject the Report but also then to go further than that and say when it is rejected the substantive Motion would then be passed. I do not think that this is what it says because the only part that could be brought under, as I see it, you either have to adopt, modify or reject. Okay?

So if you are going to say you are rejecting and you have got to modify, because this would have to be a modification, Sir, because to merely reject the Report does not bring in the Resolution from before, as I see it, then it appears to me that modifications can only be minor amendments to the Report.

In the short time that I have had the only bit of authority that I can find on this, because I did anticipate that something was coming even though I was not sure, was in May's Parliamentary Practice the 20th Edition at page 393, and it deals with Modification of Resolutions. It says:

"A Motion modifying a resolution of the same session by omitting or altering subsidiary portions of it, is in order so long as no attempt is made to reverse the substance of the motion. A motion reversing the effects...."

**MR. PRESIDENT:**  
not the Reports of Committees, surely.

I am sorry, I must interrupt you. That is talking about motions,

**MR. TRUMAN M. BODDEN:**

I am using it, Sir, for the interpretation of modification. The only other reference would be to go into a dictionary on it. As I see it, if it is being rejected I can see that being put as a motion. But in any event, the Standing Order that the Member is using is adopted, modified or rejected. I think he has to choose. If he rejects, he cannot modify or adopt.

Secondly, even if you did rule that he could reject and then modify, this modification totally nullifies the motion that was passed in the Committee. And I am saying that a minor amendment can be made under modification, but definitely nothing that actually totally reverses what was being done before. The Member may then, after this, have to seek, through another substantive motion, maybe the same motion, to attempt to get around the barriers that he has created by putting this into the Standing Orders Committee. I would ask that you have a look at that and rule that the latter part be excluded, Sir.

**MR. PRESIDENT:**

Thank you.

Subject to the Attorney General correcting me as I go along, I think you have two points. The first is that the last part of the Motion is not properly part of the motion brought under Standing Order 72(5). And the second is, that even if it were, it is not in the power of the House to reject the decision of the Committee. With the Committee having voted as it did, and presented a Report, as it did, the House cannot simply reject that and impose the former motion. I have understood that correctly. Right.

I think it is easier to take the second one first. I think it is a principle that the House rules Committees and not vice-versa. I think that is a very basic principle. Committees are created and directed by the will of the House. Having been created they do their work, they report and then it is a matter for the House to decide whether they accept, modify or reject. I do not think it can be argued therefore, that the decision of any Committee can be held to bind the House. There may be one exception and that is, I think, the Report of Finance Committee on the Appropriation Bill. But that is not what this is about today.

Going back to your first Point of Order, I think it is explicit in this Motion that if it is successful, and therefore, if the Committee's Report is rejected, the House is taken back to the original Motion and the original Motion was, and I will quote only briefly:

**"GOVERNMENT MOTION NO. 3/90**

**BE IT THEREFORE RESOLVED** that Standing Orders be amended...."

Now, that was the Resolution of the House this morning. After that Resolution is taken, the Orders provide that it is referred to the Standing Orders Committee for it to consider and decide its own attitude, its own opinion and report to the House. But the will of the House is in that Resolution and I therefore consider that if this Motion is passed and the Committee's Report is rejected, then it is implicit that the Motion, No. 3/90, stands as the decision of the House.

Having said that, I think you have a valid point with the wording of the Resolution now before the House is perhaps, somewhat, imprecise. If it said going from line 4: "The said committee be rejected" and then if it said: "The effect being that the will of this Honourable House remain", I think it would then fall within Standing Order 72(5) which you quoted, because it would merely be saying that this is the result of a rejection if that is the case.

I have taken that all rather quickly but then you put it to me

rather quickly. I would be quite prepared to adjourn to study this and produce a written opinion, but I do not think that this can be done in a matter of minutes. It will take time to be written and to produce. I am fairly confident of the interpretation I have given you. It is entirely up to you. I am quite content to adjourn and produce a written opinion and we can review it.

**MR. G. HAIG BODDEN:**

Mr. President, I would like to ask you to consider the phrase: "will of this Honourable House" because my understanding is that the will of the House was simply that this Motion go to the Standing Orders Committee for it to deal with it. The will of the House is not that the Motion be passed. So I would ask you to consider if that was so or not.

**MR. PRESIDENT:**

With pleasure. I feel that I stand by the interpretation that I gave. Perhaps I can go through the grounds again. I may not be able to persuade you.

The Motion this morning, No. 3/90, in its first Resolution clause said: "Be it therefore resolved that Standing Orders be amended by" certain provisions. That is the Resolution. Standing Orders provide then that the Resolution, the text, of the proposed amendment goes to the Standing Orders Committee. The Standing Orders Committee considers and reports to the House. The House then decides whether or not it accepts the Standing Orders Committee's recommendations but the "will of the House", as I see it, has been expressed, "be it resolved that the orders be amended". To change that the House would now have to accept the Report of the Standing Orders Committee. That is what this Motion is about. The Motion is that the House does not accept, that the House rejects that. And, as I said, depending on the outcome of that Motion, if the House does reject the recommendations of the Committee then, I think, the House is taken back to the original Motion No. 3/90. If the Motion fails, then clearly the Report of the Standing Orders Committee is accepted and you have all heard what those recommendations were.

**MR. TRUMAN M. BODDEN:**

Mr. President, I would not be asking for written reasons on this. It is apparent that it will be in conformity of what you have said and I would therefore....

**MR. PRESIDENT:**

This is why I took the unusual step of saying that if you prefer it to be in writing I would do that because I started off by saying that my interpretation would be subject to the Attorney General's advice. He has not demurred at the moment, but he might, upon reflection, and I think we want to be careful and get this exactly right.

**MR. TRUMAN M. BODDEN:**

Mr. President, to use that well trodden phrase, it appears that the will of the House is to carry on tonight as was expressed earlier and, therefore, I would not be asking for a written ruling, Sir, if that is okay.

**MR. PRESIDENT:**

So the Point of Order is disposed of, at least, for the time being. It is always possible to return to it on the substantive Motion.

The House is now debating the proposal to suspend Standing Orders to continue the Sitting. Does any other Member wish to speak? (pause) If no other Member wishes to speak, would the Mover wish to reply?

**MR. W. McKEEVA BUSH:**

Yes, Sir.  
Mr. President, since only one Member of Government spoke and said nothing, I will say nothing too. We shall carry on because I think this is a matter of urgent business before the House, we should proceed and finish it as soon as possible.

**MR. PRESIDENT:**

In that case the question will be put on the Motion to suspend the Standing Orders for the purpose stated.

**QUESTION PUT: AYES AND NOES.**

**MR. PRESIDENT:**

Would you take a role, please Clerk.

**NOES: 8**

**DIVISION NO. 12/90**

**AYES: 7**

Hon. Thomas Jefferson  
Hon. Anthony Smellie  
Hon. Lemuel Hurlston  
Hon. Norman Bodden  
Hon. Benson Ebanks  
Hon. Ezzard Miller  
Hon. Linford Pierson  
Capt. Mabry S. Kirkconnell

Mr. W. McKeeva Bush  
Mr. John D. Jefferson, Jr.  
Mr. Truman M. Bodden  
Mr. Gilbert A. McLean  
Mr. Roy Bodden  
Mr. G. Haig Bodden  
Mr. John B. McLean

**MOTION TO SUSPEND STANDING ORDER 10(2) NEGATIVED BY MAJORITY.**

**ADJOURNMENT**

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

Mr. President, I move the adjournment of this Honourable

**MR. PRESIDENT:**

I will now put the question on the adjournment.

**QUESTION PUT: AYES AND NOES.**

**MR. W. McKEEVA BUSH:**

Can we have a division?

**MR. PRESIDENT:**  
Would you please do that?

The First Elected Member for West Bay has asked for a division.

**DIVISION NO. 13/90****AYES: 8**

Hon. Thomas Jefferson  
Hon. Anthony Smellie  
Hon. Lemuel Hurlston  
Hon. Norman Bodden  
Hon. Benson Ebanks  
Hon. Ezzard Miller  
Hon. Linford Pierson  
Capt. Mabry S. Kirkconnell

**NOES: 7**

Mr. W. McKeeva Bush  
Mr. John D. Jefferson, Jr.  
Mr. Truman M. Bodden  
Mr. Gilbert A. McLean  
Mr. Roy Bodden  
Mr. G. Haig Bodden  
Mr. John B. McLean

**MR. PRESIDENT:**  
tomorrow morning.

The House stands adjourned accordingly until 10:00 A.M.

**AGREED BY MAJORITY:**

**AT 7:22 P.M. THE HOUSE STOOD ADJOURNED UNTIL 10:00 A.M. TUESDAY,  
12TH JUNE 1990.**